How True is the Cost of Living Index? (p. 28)

THE FINANCIAL POST

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New Methods Aid Mines 13
X-ray of Drug Trade 7

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The Nation's Business

No Manpower Policy Still Main Issue

The one fundamental fact which stands out clear and unchallengeable in the unfortunate imbroglio about the resignation of National Selective Service Director, Elliott Little, is this:

After more than three years of war, the government still has no plan for making efficient use of all Canadian men and women. Apparently the administration does not want to face the manpower situation because it fears the conscription issue would be brought to the fore.

The Elliott Little resignation has precipitated much personal controversy. It has created the spectacle of some men of management protesting loudly the virtues of life-long labor organizer Hon. Humphrey Mitchell and of some men of organized labor protesting loudly the virtues of big businessman Elliott Little. The real issues are being assiduously befogged in some quarters.

* * *

Here are background facts which are essential to an understanding of the dispute.

Mr. Howe, Minister of Munitions and Supply, has constantly had the green light for boosting our industrial war effort as fast and as far as possible.

Messrs. Ralston, Power and MacDonald, ministers of the three armed services, have had the green light for adding to the numbers of their forces.

This general go-ahead policy was fine so long as Canada could provide enough men for all four purposes, and still maintain essential home services. Facts prove that that time is definitely past.

As stated many times in The Financial Post, a decision by the government many months ago was needed to decide where in the light of all other factors, our short supplies of manpower could best be used; where we should cut down, where the go-ahead policy should continue.

That decision has never been made. The only persons empowered to make it are Mr. King and the Cabinet. It is their duty to make it. Such co-ordination would of course involve setting a rough limit on the size of the Army, Navy and Air Force, as it would on the size of our industrial army.

The second step that was patently necessary was, having determined a policy, to create machinery for channelling manpower where it would best serve the war effort.

* * *

HERE IS PRESENT MACHINERY

Here is present government machinery for that purpose.

Conscription for Home Defense, The Wartime Prices and Trade Board, the Department of Munitions and Supply and National Selective Service.

Under conscription for home defense, all physically fit single men and childless widowers from 19 to 40, except farmers and those considered essential to war industry, are liable to call.

For the armed services, Mr. King finds this system helps stave off the conscription issue. Called "Backdoor Conscription" by the London Free Press, it works this way. Young men are called up on the draft. Many at once rush to enlist in Army, Navy or Air Force so they can choose their service and their type of job. Some of them are infinitely more useful to the war effort by staying at their accustomed jobs, but the call up impels many into rushing into uniform and avoiding the draft board which might give them deferment if they asked. The draft call ups thus serve as a "shot in the arm" for voluntary recruiting and Mr. King interprets his plebiscite pledge to Canadians as one whereby the conscription for overseas service issue will not be imposed "until the voluntary system has failed."

Second is Wartime Prices and Trade Board with its programme to restrict non-essential industry; to concentrate industry, etc. One important result of closing up businesses, etc., by its order is obviously that a lot of people will lose their jobs.

Third is the Department of Munitions and Supply whose controllers have always had the power to divert raw materials to war industry, another method whereby "non-essential" workers could be made unemployed.

Fourth is National Selective Service, the "employment agency" to which those made jobless by government order or from other cause must come for new jobs and where, theoretically, they would be channelled into jobs where they could best serve the national cause.

* * *

"IN GENERAL WAY, NO POWER AT ALL"

As vividly summarized by the outstanding Ottawa correspondent, Grant Dexter, here is the present position of National Selective Service:

> "Selective Service, in a general way, has no power at all, except to deal with people out of work. It can make a man go to work. It can, by permit, control the kind of work he does go to, and no employer can hire anyone without permission. But Selective Service cannot take anyone out of a job and cannot hang the shutters on a business however unessential it may be. It can prevent a man leaving the country. But its main function is to sweeten the relations between labor and employers, to gather statistics and to operate employment facilities."

Here obviously is where confusion as to the job of National Selective Service beclouds the situation.

The name of the organization implied to the public, and certainly a good many close observers including Mr. Little himself believed, that it had the main job of carrying out for the government efficient mobilization of Canada's manpower for war.

Mr. Little apparently regarded his organization as the focal point for manpower mobilization. Mr. King evidently regarded N. S. S. as only one of various agencies acting on this problem.

* * *

Government policy on this matter seems to have shifted very markedly since N. S. S. was established in March this year. In his speeches, Mr. King emphasized the voluntary aspect of National Selective Service. But the general understanding among the informed and widely circulated by those most intimate with official affairs, was that voluntary methods would be satisfactory in the early and formative stages; that some form of compulsion in the disposition of manpower would be required—and powers for it would be forthcoming—when the manpower squeeze arrived and when N. S. S. was ready with the machinery to handle a job of personnel selection for the whole nation. That was, apparently, Mr. Little's understanding when he took the job.

Hence the current uproar is more than a conflict between Mr. Little and the Labor Minister.

It is a case, first, of Mr. Little reporting to his Minister and saying in effect: You haven't given me the plans to work on. You haven't given me enough powers to do the job even if I had the plans.

It is a case, second, of the government failing completely in one of the most fundamental tasks: making an overall plan for most efficient use of all Canadians' time and skills.

N.S.S. Future Big Ottawa Question

Report Little's Resignation Might Force Clearcut Manpower Policy on Government

By STAFF WRITER

OTTAWA.—What happens now to the nation's manpower plans and programme?

Apart from the personalities involved in his resignation, Mr. Little charges that the great and inexcusable fault which he found on Parliament Hill was the lack of any manpower plan. Newspapers all across Canada have seized on this disclosure. Though it is not new to those who have watched the manpower fumblings and muddlings of the past few years, the information has come as a sudden and revealing shock to many thousands of citizens. If these citizens were to become "vocal," the effect on forcing a decision for action from the government might be important.

Otherwise, the most that probably will happen is an effort on the part of the new N.S.S. director, Arthur MacNamara, to whip that organization into a satisfactory "employment" agency. As now revealed, the N.S.S. is little more than that, despite the new work it will assume on Dec. 1 in respect of the army draft machinery.

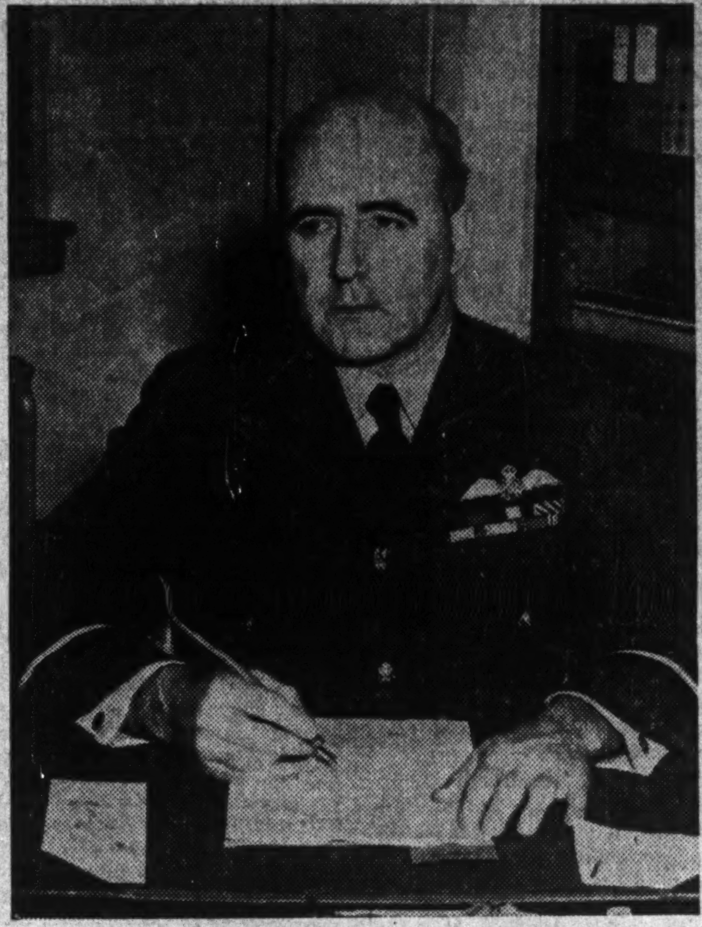
It is generally accepted here that the Little resignation has had a severe effect on Mr. Mitchell's reputation both in Ottawa and throughout Canada. The open hostility of labor groups may be ominous. There is now no disguising the fact that Mr. Mitchell (to put it mildly) has a lot to do to win the support of the people he is supposed to represent in the East Block.

There have been many well-sourced rumors in Ottawa that between Monday and Wednesday of last week (when Mr. Little's resignation was finally accepted) there was no little consideration given to a possible successor for the Labor Ministry.

What about Mr. Little?

Already anxious Conservatives are casting covetous eyes in his direction. Those who know Mr. Little best say they are simply wasting their time and their thoughts. Mr. Little wasn't looking for any political kudos when he quit the N.S.S. directorate. In the temper in which he left Ottawa he wouldn't touch a Conservative invitation with any length of pole. Nor is he believed to have any expectation that any turn of the wheel is in sight which might bring him back to Ottawa in any official capacity.

Air Training Envoy



Soft-spoken, friendly and recognized as one of the outstanding men in British Commonwealth aviation, Air Vice-Marshal Robert Leckie has been appointed Canada's representative on the new joint committee for standardizing air training in North America. He's expected to do much to co-ordinate training of airmen in Canada and the United States. Back in 1920 Leckie was one of seven men who made the first transcontinental flight across Canada. Born in Scotland, he was living in Toronto when the last war broke out. He joined up, served with distinction in the Royal Naval Air Service, later commanded the first Canadian wing of the R.A.F., after the armistice helped establish the R.C.A.F. Returning to England, was posted to the China Station, later commanded the R.A.F., Mediterranean, with headquarters at Malta. The present war brought him back to Canada to help organize the Commonwealth Air Training Plan.

Inter. Pete Looks For Good Net

Shipping Difficulties Hit Andian National But Pete Should Cover Its Dividend Readily

By ARTHUR D. ELLWOOD

Present indications are that International Petroleum Co. will be able to report net profits for 1942 sufficient to cover its current $1 a share dividend with a fair margin, The Financial Post learns. It is hardly expected that net will be quite up to 1941's level of $1.23 a share but it is likely that any decline will be relatively small.

The balance sheet will probably show improvement in an already strong financial position and further reduction in purchase money obligations. Conditions in the first half of the year were generally favorable, with production in all oil fields rising.

In the last six months the company has been affected by important changes in South American operations. The latest development which will have a bearing on earnings has been the decision of directors of Andian National Corp. to omit the dividend usually due at this time. Andian National last year paid $2 a share in dividends, requiring $7.6 millions. Of this International Petroleum received 97%, or about $7.4 millions.

This year International Petroleum will receive from Andian only $1 a share on the stock it holds, or about $3.7 millions, a decline of $3.7 millions.

The Post is told that reason for

(Continued on page 2, col. 5)

Experts to Study Unified Air Plan

Canada, U. S. Joint Committee Named to Bring Training Schemes of Two Countries Closer Together and Co-ordinate Facilities, Manpower

By KENNETH R. WILSON

OTTAWA.—Six months after the understanding reached last May at the Ottawa Air Training Conference, a key proposal of that conference, the establishment of a joint committee for standardization of air training in North America, has been consummated.

Canada will be represented by Air Vice-Marshal R. Leckie, air member for training in the Air Council. Chairman of the committee will be Major General Yount of the U. S. Army.

A development which may now be studied by the committee is the long-discussed but never-implemented plan to bring U. S. recruits to Canada and have them use our air training facilities for their training.

The argument put forward for this is that Canada has a huge plant, already established, and that the United States has a considerable supply of manpower. By bringing these two assets together the most efficient use might be made of the North American air crew "potential."

Canadians Favor

High Canadian officials believe the plan for pooled training has much merit. Even though Canada's schools are now reported operating at full capacity, if a third or half of the Canadian schools could be manned or filled with U. S. recruits in the way that Empire recruits are now sharing these facilities, it would benefit the all-round manpower picture.

Another proposal which will come up for consideration and settlement is the plan whereby Canada would enlist and train men who are over age for the U. S. air service. In the U. S. the age limit for training is 26. In Canada it is 31. U. S. citizens who want to train for air crew but who are over age so far as their own service is concerned, might be allowed to train in Canada. Even if they went back to the United States after they were trained it is felt that there would be a net gain so far as the United Nations' effort is concerned.

Instructors

Since the U. S. entered the war attractive offers have been made by the U. S. services to Americans who had come to Canada, had enlisted in the R.C.A.F. and were serving here as instructors. As a result of these offers some 1,500 have gone back.

Despite the high hopes of the Ottawa conference there has been very little progress in the close co-operation expected between the United States and Canada to make the best possible use of the manpower and air training facilities in both countries. The joint committee is the first concrete step taken in this direction since the conference was held.

Elliott M. Little Clarifies Reasons For Resignation

The Financial Post has received the following letter from Elliott M. Little, former director of National Selective Service. Here he gives information not previously public about reasons for his resignation, his views of the present position of National Selective Service and on manpower problems now facing Canada.

Editor, The Financial Post:

This is written in answer to your recent request for some further clarification of my resignation of last week, and in the hope of bringing more clearly into focus the critical manpower situation in which I believe all Canadians are so vitally interested. Also, though I have no desire to engage in a personal controversy, there are several points raised by the Minister of Labor last week which I believe require an answer.

The issue which brought about my resignation goes much deeper (in my view) than a mere departmental controversy. (Ed. Note: The "issue" as defined in Mr. Little's letter of resignation, Nov. 16, is as follows: "In the fourth year of war we find ourselves with no clear directive from the government on manpower policy and with quite inadequate organization to achieve a total and balanced manpower effort."). On July 30 of this year, following a conference with the Prime Minister, an understanding was reached on four basic principles in the administration of National Selective Service. These principles were:

1. That manpower policy must be decided by the cabinet through its manpower committee.
2. That administration of the manpower policy must rest with the Minister of Labor except in the case of appeals in respect of army draft calls which would remain within the jurisdiction of the Department of National War Services.
3. That as soon as the administrative machinery of National Selective Service had been sufficiently extended and improved it should undertake the manpower functions then being performed by the Department of National War Services. The transfer was to be effected within a period of not more than three months. Meanwhile the utmost co-ordination between the departments affected should obtain and the calling-up of men for military purposes should be subject to the approval of National Selective Service.
4. That the Employment Offices of the Unemployment Insurance Commission be placed under the jurisdiction of the Department of Labor.

Between the time this understanding was reached and the time I tendered my resignation, exactly three and a half months transpired—months during which the country's manpower shortage was growing hourly more critical and unmanageable.

What happened in these months?

1. The Draft Machinery

Despite the definite understanding in July that the draft machinery was to be transferred to the Department of Labor to be administered by the director of National Selective Service it was two months (Sept. 26) before an order-in-council was issued to that effect. This order-in-council fixed the date of transfer as Dec. 1, 1942.

Two weeks after the order-in-council was issued and notwithstanding its terms, an official intimation for which no reasons were given, was received by me from the Minister of Labor to the effect that the drafting of single men should continue to be the responsi-

(Continued on page 2, col. 1)

Launch New Transit Plan

Thousands of Workers Will Get Extra Gasoline

By IAN SCLANDERS

The war industrial transit plan, which has been tested in a handful of war plants, is now ready to be placed in large-scale operation across the country.

It means continued automobile transportation to and from work for scores of thousands of Canadians.

Word that the plan is "all set to go," that final details have been settled, came from the office of Transit Controller George Gray just at a time when street car and bus traffic is rapidly climbing to the highest peak in history.

What the scheme does is to give extra gasoline, together with tire privileges, to car-owning employees of "approved" plants or commercial establishments who agree to provide daily transportation for fellow workers.

It was originally decided on weeks ago, when a survey indicated that 25% of Canada's industrial workers depended on automobiles to get to their jobs.

Any industrial plant or commercial establishment of more than 100 employees is eligible to participate in the plan. Employees who may be included are those working on shift, or regular hours, who can be transported with fellow workers on a regular schedule. Employees of an inspection staff, attached to a plant but on separate payrolls, may be grouped with plant employees for transportation purposes.

How It Works

When a concern applies for recognition under the plan, the first step is an employee transportation survey.

Next step is the appointment of a plant transit officer, an employee recommended by the plant management. This officer serves on a voluntary basis, administering the plan in the plant, under the direction of the regional transit director.

Coupon Books

He requisitions the required number of gasoline coupon books, and is responsible for their distribution. The books are issued in eight sizes, containing 4, 6, 8, 10, 12, 14, 16 and 20 half unit coupons. The type of book a driver-employee gets depends on the distance he has to travel to work and whether his car is in class one (small), class two (medium sized) or class three (large).

Ration books under the industrial transit plan are to supplement the regular gasoline ration, and do not affect this. They give an amount of gasoline just sufficient for the trip to and from work, based on a carefully worked out table.

This table, copies of which have gone out to industrial plants, shows at a glance the total distance travelled per month by employees living varying distances from work and working a varying number of days. For instance a man living four miles from work, and working 27 days of the month, travels 216 miles back and forth to his job.

Ration Allowed

This man would be allowed eight half unit coupons, or 12 gallons of gasoline.

Another man who travelled eight miles to work, 27 days a month, would get 16 half units, or 24 gallons of gasoline.

If this same man worked less than 27 days a month, the total distance travelled to and from work would be less, and he would accordingly get less gasoline. If he worked every day of the month, he would get more. It's all based on total mileage.

When tires wear out, the employee-driver goes to the plant transit officer and obtains a "wartime industrial transit certificate for tire services." He fills this in and takes it to the tire rationing officer of the district, who sees that his vehicle gets tires that will keep it going.

Insurance Needed

One hitch, which delayed the general application of the plan temporarily, was insurance. The requirement is that the plant in which it is in effect must take out insurance against liability which might arise from an accident, and also protect riders.

It is understood that this has now been cleared and that the insurance companies are arranging for a low cost policy. The premium can either be paid by the plant itself, or passed on through payroll deductions.

Three controllers had a hand in arranging the scheme — the Transit Controller, the Oil Controller and the Supplies Controller. It is being administered by the Transit Controller.

Loan Success Points Way For Next Campaign

By STAFF WRITER

OTTAWA.—Success of Canada's third Victory Loan seems already to be casting important fiscal shadows ahead for 1943.

Two of these may be summarized briefly:

1. There will be continuation of the "blitz" campaign with a general pattern of at least two loans a year—one every six months.

That suggests a Fourth Victory Loan campaign next May.

2. The absence of any serious "kick-back" against compulsory savings and high income taxes and the infinitesimal dint which the loan seems to have made in consumer spending, suggests a sterner and more rigid application of all three fiscal measures (taxes, compulsory savings and voluntary savings) in 1943.

Final figures for the Third Victory Loan are expected to be in the neighborhood of $985 millions.

Total number of subscribers will rise, it is expected, to between 1.9 million and 2 million.

Sales to "special names"—largely corporations, institutions, etc., will probably exceed $600 millions. The balance of the total subscription will be from individual or payroll subscribers.

Payroll subscribers will probably come close to the $90 millions mark compared with $65 millions in the Third Victory Loan. Since the average subscription will probably remain about the same this indicates that possibly 1.1 million persons will be buying Victory bonds over the next six months on this plan. This compares with 820,000 who purchased on this plan in Feb., 1942.

This success of payroll savings is all the more important when it is

(Continued on page 2, col. 5)

Army, WPB, to Bury Hatchet

Roosevelt Presses For Closer Co-ordination

By ROBERT T. ELSON

WASHINGTON. — The President this week told American war production chiefs—army and civilian—to settle their differences about schedules and authority by mutual agreement. Meanwhile he reported production is going extremely well.

At Tuesday's press conference, with rumors current that a showdown was imminent between Donald Nelson and General Brehon B. Somervell, chief of the services of supply, over whether or not General Electric's former president or the Army was to run the U. S. aircraft programme, Mr. Roosevelt by inference told them there would be no clear-cut decision from the White House.

It was both a rebuke and a warning in what could have been a major crisis.

F. D. R. Clamps Down

It is important to Canadians whose continued U. S. contracts and schedules could be jeopardized by any upheaval in the war production setup.

Mr. Roosevelt knew that the question was likely to come up. But a frown crossed his face when a reporter mentioned these reports of differences on final authority. He leaned back in his chair and said that such matters should be settled by mutual agreement; launched then into a long explanation why this must be so. Principal point was that in aircraft no one has a final answer.

And if they didn't settle things by mutual agreement?

Well, said the President—and this time with a smile—he guessed he would have to lock them all in a room and give them no food until they did.

On the surface this looked like a mere pleasantry, an aside in the midst of an elaborate denial by Mr. Roosevelt that serious differences do exist. But those who know the man in the White House and know the production chiefs themselves thought that they would read in these words a pretty direct intimation that F. D. R. is tired of Washington reports of differences and bickering over final lines of authority and that Mr. Roosevelt has decided it is time they worked together.

F. D. R. Backs Results

Mr. Roosevelt does not like giving clear cut lines of authority to one man against another. But men who get on with the job usually find they have White House backing. In the case of war production, Donald Nelson is still the boss, but he hasn't always been able to resolve the differences with the Army as represented by General Somervell on a number of issues. Usually these have been settled by compromise.

When Ferdinand Eberstadt, former chairman of the Army and Navy Munitions Board went over to the War Production Board as Nelson's vice-chairman, it looked as if these differences were over. A few months ago Canada had found, for instance, that certain commitments which WPB had approved had also

(Continued on page 5, col. 6)

Big New Survey of Mines is Important Aid to Investors

Just as a rising market stirs great new interest in mining stocks, the new 1942-43 edition of The Financial Post Survey of Mines is off the press, providing many facts essential to the formulation of an informed investment policy.

Filled with information on all types of mining securities, the new Survey of Mines reviews thousands of Canadian mining companies in detail and is unquestionably the most comprehensive publication of its kind available.

Further growth for Canada's mining industry is suggested in the new Survey of Mines. Expansion of recovery facilities at large base metal producers, placing in production of still more base metal mines and tapping of many new strategic mineral resources — these combine to indicate that Canadian base and strategic mineral production may touch a new high in 1943, it is pointed out.

Since the 224 (9 in. x 12 in.) page current edition has only a limited press run, readers are advised to forward their order immediately to The Financial Post to avoid disappointment. Copies are $2 each.

Elliott M. Little Clarifies Reasons For Resignation

(Continued from page 1)

bility of the Department of National War Services and that only married men should be drafted by National Selective Service. This letter was dated Oct. 8 and the matter was still unresolved when the Minister left on his trip to England a few days later.

2. Transfer of Employment Offices

Although this transfer of offices from the jurisdiction of the Unemployment Insurance Commission to the Department of Labor was agreed on in July, no formal order was passed until a month later—Sept. 4. But this order failed to implement the agreed arrangement. Instead of giving administrative control of these offices to National Selective Service under the Minister of Labor as had been clearly understood between myself and the Minister in July, it placed them under a new authority, namely one of the members of the Unemployment Insurance Commission. When officials of National Selective Service became aware of this fact a heated argument took place in the Minister of Labor's office.

Again, clarification was obtained that these offices were to be the administrative responsibility of myself as director of National Selective Service. Despite all this, a directive was sent out from the offices of the Unemployment Insurance Commission as late as Sept. 22 with an accompanying chart showing that the offices had no administrative tie-in with National Selective Service.

It was not until three and one half months after the original understanding with the Prime Minister that the order which finally put the Director of Employment Service and Unemployment Insurance under the administration of National Selective Service was gazetted. Although approved by cabinet on Oct. 16, it was gazetted only on Nov. 14—the week end of my resignation.

It is this situation which I referred to when I stated in my letter of resignation that selective service was still "in the ridiculous position of lacking undisputed control over its only possible field machinery."

3. Labor-management Committees

In my letter of resignation, I stated that "in our efforts to make sure of the pledged co-operation and support of labor and of industrial management through, for example, the promotion of employer-employee committees, we have been unaccountably hindered and blocked."

The fact is, that as far back as last August, the National Selective Service Advisory Board, of which the Minister is chairman, approved an official statement of policy which was an attempt to show both labor and management exactly where the government stood in this matter and give official direction to this vital part of the manpower programme.

To this day, that statement of policy has bogged down somewhere in the Minister's office. The press statement announcing government policy and which was to have been issued, has never been released. It was my view that such a statement as to the government's attitude in regard to these committees was essential, and that both labor and management were within their rights in demanding a clear-cut statement of the government's policy.

4. Powers of the Director

There has been criticism as to the powers which were sought for the directorate of National Selective Service in the memorandum which was presented to the Minister on Nov. 15. The powers sought were that "the Director shall, under the Minister, have the exclusive management and direction of the National Selective Service Branch, and shall, for that purpose, be the Deputy of the Minister."

It is my belief that if the government is really serious about implementing its professed desire to tackle the manpower problem, the very minimum powers which are needed by anyone selected to carry out that responsibility are at least commensurate to those of a deputy.

I made this very clear in the memorandum submitted to the Minister on Nov. 15. This memorandum also states:

Rather than attempting to create a new office and define its powers and responsibilities, it was thought preferable to conform to the traditional pattern of responsible government as both the clearest way of defining the Director's position, and providing the simplest and most efficient operating mechanism."

Without such powers it appeared to me that I could not acceptably discharge my responsibility as I understood it and as the Prime Minister had enunciated it in his broadcast on Manpower Policy on Aug. 19 last, when he stated: "The main responsibility for administering manpower policy rests with the Director of National Selective Service, Mr. Elliott Little. He is responsible to the Minister of Labor."

5. Compulsory Transfer

When he met the press last week, the Minister expressed the view that his government had already enough power to carry on National Selective Service. He implied that the authority over compulsory transfers could not safely be entrusted to any one man.

The fact is that the principle of compulsory transfer of labor was approved by the manpower committee of the cabinet of which the Minister is chairman, as far back as July or early August of this year. The power sought was the power to carry this principle into effect under similar procedure to that obtaining in other departments of government.

6. Manpower Policy at Large

In my letter of resignation I stated that in the fourth year of war "we find ourselves with no clear directive from the government on manpower policy."

Here, also, the story goes back to the end of July when National Selective Service (on the basis of three months' experience and the results of the June register of unemployed manpower, etc.) saw an urgent need for a more balanced effort, a clearer directive and centralized authority from the cabinet, in the control of manpower. Out of this realization came the July "understanding" (already referred to) and the Prime Minister's broadcast of Aug. 19 in which he forecast increased controls and the curtailment of our essential civilian industry.

Another full month passed before National Selective Service was advised, officially, of future and prospective manpower demands. With a few days after receiving these demands, National Selective Service presented a blueprint of the steps necessarily involved in meeting these requirements and an outline was given of the conditions which had to be faced and considered in so doing.

No answer to these blueprints has as yet been received by National Selective Service.

In short, three months after the Prime Minister's nationwide manpower message of Aug. 19, no decision has apparently been reached (or at least if reached it had not yet been translated to National Selective Service) as to the objective and the overall requirement on which manpower policy is to be based.

Despite this lack of directive and control and the general manpower uncertainty, the Minister of Labor saw fit to leave the country and the manpower problem and visit England for four weeks.

During his absence, I and my associates prepared another comprehensive memorandum and series of recommendations on the whole manpower situation which contained what I believed to be the minimum requirements under which I felt it was possible to remain as director of National Selective Service and do a useful job. The memorandum contained a five-page summary of the general manpower situation and a draft order-in-council establishing National Selective Service as a clear-cut branch within the Department of Labor, defining clearly its powers and those of its director. In so far as administration is concerned there were no wider powers sought in this proposal than are already used or available to deputy ministers in other departments of government. In fact, the reason why an attempt was made to define these powers precisely was the belief that the earlier and very sweeping responsibilities of National Selective Service were too far-reaching and impracticable within the limits of democratic government. The new proposals aimed to limit these responsibilities and to support the residue with an adequate authority for their enforcement.

I deemed these proposals so urgent that I sought a discussion with my Minister and the Prime Minister on the day the Minister returned from England (Nov. 15). The earliest appointment that could be obtained with the Prime Minister was for Monday evening, Nov. 16.

On Sunday I tried for several hours to contact the Minister after his return from England. He failed to respond to telephone calls; failed to make an appearance when I called at his house and left a copy of the memorandum. Accompanying the memorandum was a letter urging immediate attention to and support for the proposals.

On Monday, the Minister called me to his office. There was an exchange of views and a clear indication from the Minister that he was annoyed by reports of friction within the department during his absence. The Minister showed no interest in the memorandum.

By Monday evening I decided that under the circumstances no other course remained for me but to resign in view of the relations between myself and the Minister. I presented my resignation to the Minister at the Prime Minister's house that evening along with an accompanying letter of explanation to the Prime Minister. The Prime Minister asked for time to consider both the resignation and the memorandum. He suggested the end of the week. I asked for an earlier decision if possible. On Wednesday I agreed that I would not press for a decision prior to the end of the week if the government was serious in giving consideration to the memorandum and in wanting to come to grips with the manpower situation

The cabinet decided, however, to accept my resignation on Wednesday afternoon.

With that decision I have no quarrel, but of far greater importance than my continuance in office or the causes that led to my resignation, is a decision which has not yet been taken, namely as to whether this country will adopt and carry out a real manpower policy or prefers to accept the risk of failure to provide our forces and our essential industries with the men they need.

Yours truly,
E. M. LITTLE.

Montreal, Nov. 24, 1942.

Inter. Pete Looks For Good Net

(Continued from page 1)

Andian's decision to pass its dividend is due to practical stoppage of exports of oil from Colombian oil fields, owned by International Petroleum and served by Andian National. There is no secret in the fact that German submarines have been active in the Caribbean and, due to factors of location, this has meant a sharp drop in exports from Cartagena, Caribbean terminus for Andian's pipeline.

In Peru production of crude oil and runs in the company's refinery at Talara have held around capacity through most of 1942. Markets have changed, however, and instead of moving large quantities of oil to Canada and other North American countries, the whole output has been moving south. Markets along the South American Pacific coast have been taken over by Peruvian oil, replacing oil from California and saving thousands of miles of tanker travel.

In Colombia limitation of exports since last summer has meant slowing up of general activities but The Post is told that oil reserves have been well maintained and production could be stepped up promptly if the transportation situation should improve. Two interesting developments outside of the actual oil production fields are reported.

First of these was completion of hearings on the court case to determine the actual date of expiration of International Petroleum's concessions. There has been a dispute as to whether these concessions expired in 1948 or 1951. No decision has yet been given by the Colombian courts although all evidence has been taken.

The other event was passing early in September of a new law in Colombia which included a clause requiring all foreign businesses operating in Colombia to have as their representatives citizens of that country. This clause would have presented possibilities of considerable embarrassment to such concerns as International Petroleum, but fortunately the president of Colombia has granted a 180-day stay of the provision. What will happen at the end of this period is not known yet but it is felt there is a good chance that the clause will be amended or deleted.

Lessons From Loan Success

(Continued from page 1)

remembered that in the Second Victory Loan, most of these deductions were being made over an eight-month period as compared with six months in this loan. This means that the average deduction from payroll is considerably higher than in the last loan.

Despite this highly satisfactory result, many officials feel that the surface of Canadian war-inflated buying power has still barely been tapped. To the amazement of many canvassers and officials, hardly a complaint was heard about compulsory loans and high income taxes once the loan campaign got under way. Nor was there any real indication that the nation as a whole had dug very deeply into its wartime standard of living in order to purchase bonds.

It is this reaction which suggests that Mr. Ilsley may have no great compunction in preparing a new and heavier dose of taxation and compulsory saving in 1943 and that the National War Finance campaign will take another tremendous wallop at national income about next May.

Meanwhile there will be a new attempt to stimulate interest in retail sales of war savings certificates and stamps — especially during the Christmas season when an entirely new stamp campaign tied in with Christmas giving is being inaugurated.

Investor's Index

Nov. 28, 1942

Can. Bk. Comm. 5
Can. Int. Invest. 9
Dominion Bank 5
Dom. Stl. & Coal 9
Foundation Co. 11
Imperial Bank 5
Imp. Tobacco 7
Inter. Pete. 1
Inverness Apts. 4
Killarney Apts. 4
Montreal Apts. 9
Ogilvie Flour M. 9
Reliance Grain 7
St. Law. Pap. M. 4
Shawinigan 4

MINES AND OILS

Chromium M. 13
Dom. Magnes. 12, 13
Malartic Gold F. 12
Placer Develop. 13
Senator 13
Steep Rock 12

REGULAR FEATURES

Banking 5, 11
Bonds 5
  Bond Quotations 10
Business of Farming 11
Business, Week in 7
Editorial 6
Income Tax Queries 14
Insurance 8
Investment Page 4
  Enquiry Letters 9
  Stock Quotations 10
Mining Pages 12, 13
  Mining Quotations 10
Oil Page 12
  Oil Quotations 10
  Royalty Offerings 12
War Regulations 5
Wheat Page 11
  Wheat Prices 11

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ANNUAL STATEMENT
31st October, 1942

RESOURCES

Cash in its Vaults and Money on Deposit with Bank of Canada		$112,710,235.61
Notes of and Cheques on Other Banks		45,053,234.05
Payable in cash on presentation.		
Money on Deposit with Other Banks		38,814,805.11
Available on demand or at short notice.		
Government and Other Bonds and Debentures		683,835,390.58
Not exceeding market value. The greater portion consists of Dominion Government and high-grade Provincial and Municipal securities which mature at early dates.		
Stocks		311,309.43
Industrial and other stocks. Not exceeding market value.		
Call Loans		16,210,253.81
In Canada	$ 1,920,538.28	
Elsewhere	14,289,715.53	
Payable on demand and secured by bonds, stocks and other negotiable collateral of greater value than the loans.		
TOTAL OF *QUICKLY* AVAILABLE RESOURCES *(equal to 81.65% of all Liabilities to the Public)*		$896,935,228.59
Loans to Provincial and Municipal Governments including School Districts		23,569,694.65
Commercial and Other Loans		221,354,236.76
In Canada	$205,232,367.17	
Elsewhere	16,121,869.59	
To manufacturers, farmers, merchants and others, on conditions consistent with sound banking.		
Bank Premises		13,900,000.00
Two properties only are carried in the names of holding companies; the stock and bonds of these companies are entirely owned by the Bank and appear on its books at $1.00 in each case. All other of the Bank's premises, the value of which largely exceeds $13,900,000.00 are included under this heading.		
Real Estate, and Mortgages on Real Estate Sold by the Bank		808,330.38
Acquired in the course of the Bank's business and in process of being realized upon.		
Customers' Liability under Acceptances and Letters of Credit		16,184,995.02
Represents liabilities of customers on account of Letters of Credit issued and Drafts accepted by the Bank for their account.		
Other Assets not included in the Foregoing (but including refundable portion of Dominion Government taxes)		2,566,745.60
Making Total Resources of		$1,175,319,231.00

LIABILITIES

Due to the Public

Deposits		$1,064,645,439.71
In Canada	$930,996,417.53	
Elsewhere	133,649,022.18	
Payable on demand or after notice.		
Notes of the Bank in Circulation		15,354,907.00
Payable on demand.		
Acceptances and Letters of Credit Outstanding		16,184,995.02
Financial responsibilities undertaken on behalf of customers (see off-setting amount in "Resources").		
Other Liabilities		2,340,875.07
Items not included under the foregoing headings.		
Total Liabilities to the Public		$1,098,526,216.80
To meet which the Bank has resources as indicated above amounting to		$1,175,319,231.00
Leaving an excess of Resources over Liabilities, which represents the Shareholders' interest over which Liabilities to the Public take precedence.		
Capital	$36,000,000.00	
Reserve Fund, Profit & Loss Account and Reserves for Dividends	40,793,014.20	$ 76,793,014.20

PROFIT and LOSS ACCOUNT

Profits for the year ended 31st October, 1942, after making appropriations to Contingent Reserve Fund, out of which Fund full provision for Bad and Doubtful Debts has been made, and after deducting Dominion Government Taxes amounting to $2,539,874.12 (of which $72,360.97 is refundable under the provisions of The Excess Profits Tax Act)		$3,283,018.19
Dividends paid or payable to Shareholders	$2,700,000.00	
Appropriation for Bank Premises	500,000.00	3,200,000.00
		$ 83,018.19
Balance of Profit and Loss Account, 31st October, 1941		$1,153,668.75
Balance of Profit and Loss carried forward		$1,236,686.94

HUNTLY R. DRUMMOND, *President*
G. W. SPINNEY, *General Manager*

* * *

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BRANCHES FROM COAST TO COAST

This Week The Financial Post Asks

What About Postwar Immigration?

The Question: How wide in respect to occupational, industrial and racial groups should Canada open the doors to immigration after the war?

Walter C. Allison

President, Manchester, Robertson, Allison, Saint John, N.B., and chairman farm committee, Saint John Board of Trade.

If Canada, after the war, is to be by design or through lack of careful planning, a mere asylum for the broken people of the world there will be serious trouble for Canadians. If we are to progress and enjoy a better Canada, which we have been promised and to which we are entitled and must insist upon, we must have immigration. This must not be en masse but each individual most carefully selected.

Preference decidedly should be to the British, followed by Holland-Dutch and Danes, who have made excellent citizens in New Brunswick. Changes later should be dictated by experience.

Vocations should be only according to the immigrant's fitness and the economic needs of Canada or its communities. There is much more to be said, but later.

• • •

Roy Brown

Editorial Director, The Sun, Vancouver.

What's the use of guessing at a question like this? Our actions in Canada at the end of the war are going to be vitally affected by all sorts of needs of our Allies, and tremendous and varying obligations. We have to help out in world readjustment.

What export markets shall we have and who will pay for our surplus products? Surely all these considerations will have to be weighed up carefully. We can be certain we will have to assume leadership and burden just as heavy as we can stand up to. What form it will take and how much cannot be approximated yet.

• • •

W. L. Clark

Editor, The Star, Windsor, Ont.

Canada can welcome every individual who is willing to become a good Canadian citizen. This Dominion will have a great future after the war if the people now here measure up to the possibilities for expansion. In accepting newcomers the basis of approval should be on the character of the individual and the sincerity of his desire for citizenship in a country of good citizens.

• • •

Brooke Claxton

Member of House of Commons for St. Lawrence-St. George, and prominent Montreal lawyer.

Canada's immigration practice after the war will necessarily depend on conditions at that time. If Canada and the other nations agree on co-ordinated measures to promote full employment and to enable us to sell our products abroad we should be able to take considerable numbers of immigrants. In fact that might be part of the general settlement. But if we are to go back to conditions of autocracy which will lead to another depression, Canada will be no place for immigrants.

In any event, however, we should take people having special knowledge and skills. How far we go beyond this depends on the general considerations expressed above. We should consider not taking anyone unless they express their intention to become Canadians by an appropriate step such as first papers. We should not discriminate in any way among the people we have allowed to enter.

• • •

Dr. C. A. Curtis

Professor of Economics, Queen's University, Kingston.

It is surely impossible to make any definite assertions at the moment as to the amount of postwar immigration which should be permitted or encouraged or of the nature of such immigration. Both the quantity and the nature of proposed immigration will depend upon the postwar world.

If the postwar world is an "international" one, then Canada may have to, and may be able to make sizeable contributions through selected immigration. But if the world relapses into autarchy, then Canada may not be able to afford much immigration. And, of course, it is also related to emigration—whether or not Canadians will be able to move into the United States.

• • •

Gerard Filion

Catholic Union of Farmers, Montreal.

After the war, Canada will have to rehabilitate into civilian life all men and women now serving in our armed forces. Canada will also have to find employment in peacetime industries for all men and a good number of the women now engaged in war work. Under such circumstances it would not be fair to allow immigrants to come here to take in agriculture, trade, industry, finance, transportation, etc., the place of those who will make sacrifices for Canada's war and victory. Immigration should therefore be limited to the minimum as long as all those who take part in our war effort are not re-established into steady jobs in civilian industry.

• • •

H. H. Hannam

President, Canadian Federation of Agriculture, Toronto.

Ill-considered open door immigration policy after the war could be disastrous. Canada must first stabilize her domestic economy for her own people and returned men, before undertaking extensive immigration.

The immigration programme can succeed only if immigrants are distributed fairly among all occupations. Due to increased mechanization and greater output per man in agriculture resulting from wartime labor shortage, it will be a serious mistake to attempt to settle a larger percentage of immigrants on the land than that proportion of our population required to produce food and fibre requirements for home and export markets.

• • •

J. E. Jamieson

Editor, The Advertiser, Armstrong, B.C.

Canada's postwar policy in respect to immigration should be framed to guarantee security for every man, woman and child—those serving overseas and all who are backing them up on the home front. And by security I mean an opportunity for every honest, able-bodied and mentally competent person to produce goods and services that are useful—a steady job with wages that will meet current requirement and enough left over for contingencies. This is only asking for self-respecting independence.

• • •

D. F. Marshall

Editor, The British Columbian, New Westminster, B.C.

Canada should prohibit postwar immigration until all men and women discharged from the armed forces have been re-established and workers displaced by transition from war to peacetime economy again employed. If, when this is accomplished, the first immigrants admitted are those from the British Isles, there should be no restrictions as to occupations.

The only factor governing admission of British people should be Canada's ability to support them and give them an opportunity to earn their livelihood.

No Europeans should be allowed to enter until all desiring to come from the British Isles are admitted.

Any immigration from European countries permitted later should be confined to citizens of the United Nations on a strict quota basis.

Repatriation of Japanese in British Columbia is extremely desirable and would provide openings in Canada for many people and races which B. C. assimilated.

• • •

J. N. K. Macalister

President, Canadian Colonization Association, Montreal.

It is difficult to give an opinion on this matter of so many qualifications in the space suggested. I think, however, that it would depend on circumstances in respect of:

1. The type of immigrant then obtainable.
2. The capital the immigrant could bring.
3. Conditions in Canada relating to opportunities available.

If these three circumstances were favorable, a liberal programme would be desirable, safeguarded by a strict selection overseas.

• • •

Rev. Armand Malouin

Of Sherbrooke, Que. Active in colonization work.

Immigration should be stopped completely now and after the war until Canada's industry and agriculture have returned to their peacetime course and have provided occupations for all demobilized soldiers, as well as for all men and women now working in munition plants.

Good sense and real Canadian patriotism make it a duty for us to settle our domestic problems first. This matter of immigration should not be given any consideration until after the settlement of more important questions of social and economic character.

• • •

Chas. W. Peterson

Editor, Farm and Ranch Review, Calgary.

Intelligent consideration of an immigration policy is impossible until we realize unemployment is exclusively an economic phenomenon without any relation whatever to the density of population. Belgium is a clear case in point.

The recent acute world depression revealed that there was a greater per capita unemployment in sparsely populated undeveloped overseas countries than in Europe. Unemployment is merely a symptom of a maladjusted interior economy, but sometimes temporarily influenced by extensive loss of export trade and crop failures.

Following the difficult period of adjustment to peace economy, Canada can safely open her doors wide to all desirable people irrespective of occupation, as she will doubtless and very properly be urged to do by the Allied peace conference.

• • •

Hon. W. J. Patterson

Premier of Saskatchewan.

There is general agreement that Canada could support a very much larger population than at present, but the extent to which immigration should be permitted or encouraged after the war is dependent upon arrangements made for postwar rehabilitation and the extent to which these provide for commercial and industrial development. This province no longer offers opportunities by way of free land and early self-support that were available prior to the last war. Any immigration policy after this war would have to be adjusted to the then existing conditions.

• • •

H. A. Ramage

Editor, Advertiser Topic, Petrolia, Ont.

The first postwar requisite in Canadian immigration should be full employment and no immigration restriction should be lifted until every Canadian has a job. It should be selective, first from Great Britain and then from continental Europe, and should be on a scientific basis instead of the haphazard method which has characterized other periods in Canadian history.

With mechanized farming there is a danger of the farm population getting out of proportion to the urban population and, consequently, with overproduction, industries new to the country should be encouraged. They probably would come largely from central Europe, but, as they would add to the wealth of the Dominion, they should be encouraged from any part of the globe.

• • •

Gabrielle Roy

Bulletin des Agriculteurs, Montreal.

Whenever a suitable immigrant comes to Canada, there is an enrichment for our country, provided our political and economic regime puts that person in a position to produce. The number of immigrant workers must be in proportion with the means of living the state can assure them. However, workers coming to this country, whatever their racial origin may be, should be less numerous than immigrants able to cultivate new land.

Both by humanitarian solicitude and in her own interest, Canada should encourage immigration after the war. Great immigration movements have always resulted in great civilizations.

• • •

Dr. W. W. Swanson

Head of Department of Economics, University of Saskatchewan, Saskatoon, Sask.

The most urgent economic problems in the postwar period will be those concerned with markets, distribution of raw materials, and migration and settlement. If reconstruction is to mean anything, it must involve rejection of economic and political fallacies of the past, as much as the adoption of enlightened and even audacious programmes of recovery. Above all, the nation must reject the view that increase of population threatens the well-being of any economic group in the country. The United States became great through immigration, much more than because of command of fertile territory and matchless resources.

The real menace to Canadian standards of living is the attempt of various economic and racial groups to perpetuate their vested interests. As a general principle, and as public policy, we must not only welcome but encourage immigration from Britain and the continent.

Whether we can obtain such immigration is another matter. Limitation of immigration from Asia should be imposed for cultural and other reasons, but there should be no occupational barriers, based on exclusiveness and privilege, placed in the way of settlers from Britain and the continent. Without an expanding economy, no search for security under a blueprint, administered and imposed by an army of bureaucrats can produce anything except disillusionment and economic and social disintegration.

• • •

S. N. Wynn

Editor, The Enterprise, Yorkton, Sask.

Rehabilitation of men of the armed forces will be Canada's first obligation after the war and, considering the enormity of this task, the matter of opening our doors to immigration should be approached with great caution. Immigrants admitted should be carefully selected from the standpoint of our occupational requirements. Canada will be in no position to burden itself with the impoverished people of Europe, and in view of the great postwar rebuilding job facing all continental countries, these should be able to provide most of their people with employment for years to come.

• • •

R. A. Telfer

Editor, The Journal, Humboldt, Sask.

To express an opinion as to how wide Canada should open its immigration doors in respect to occupational, industrial and racial groups after the war, is in my opinion rather difficult at this time. When hostilities cease and our huge armed forces are disbanded, Canada, not unlike many other countries, will likely be faced with the unemployment problem and it will undoubtedly require many years before the majority of these men are re-established into civil life.

I doubt very much if it would be wise to consider any formal immigration policy until such time as we have passed through the readjustment period after the war, and conditions have become stabilized. We still have room, particularly in many parts of the west, for thousands of farmers to fill up the vacant places. This is the only class of immigrants I would at present invite, and they should be of the proper type.

• • •

Alex M. Wilson

Editor and publisher, the Dryden Observer, Dryden, Ont.

So far as racial groups are concerned, it matters little from whence they come so long as they are chosen with care. It is naturally preferable that immigrants be of British stock, but it is likely a fairly even proportion of all Old Country peoples will show inclination to come here. Undoubtedly most will come from countries that have felt most the effects of the war.

The one thing that is to be strenuously avoided is the admission of people with insufficient means. Too many immigrants in the past have been chosen ill-advisedly. Many have made good citizens, but far too many have proved the opposite.

Canada took in too many of these human derelicts from 1926 to 1929 when immigration was at its highest since before the last war. If proof is required one need only study the police court columns. The percentage of convictions among the foreign element is away out of proportion.

• • •

J. B. Yule

Editor, Herald-Tribune, Grand Prairie, Alta.

Until our own boys serving in the various forces are re-establishd in industry at wages in keeping with a proper standard of living, immigration should not be thought of before an immigration policy is decided upon. We should have a planned economy at home, guaranteeing to our own people material security so far as placing people on the land is concerned. Farm prices should be placed in line with what farmers have to pay for equipment and goods.

We should only encourage immigration up to the point they can be absorbed. To adopt the old system of immigration only means confusion and work, added relief problems and would work a hardship to everyone, especially to the emigrant. We naturally favor English-speaking people, but even they should be selected as to their fitness for this country.

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68TH ANNUAL MEETING

President and General Manager Address Shareholders; Attention Called to Very Marked Economic Changes in Country at War

The sixty-eighth annual meeting of shareholders was held at the Head Office, Toronto, on November 25th. Mr. A. E. Phipps, President, addressed the Meeting.

THE PRESIDENT'S ADDRESS

The General Manager has made a very clear explanation of the statements before you and I trust you will regard the position of the Bank as shown by the Balance Sheet and the results for the year as shown by the Profit and Loss Account as satisfactory. They are entirely satisfactory to your Board of Directors and to myself.

The outstanding feature of the statement is the growth in the totals on both sides of the Balance Sheet, the deposits having increased approximately $37,000,000. with a corresponding increase in the assets. This, of course, is due to the enormous expansion of business caused by the war and, as the General Manager has explained to you, these increased resources have been loaned to the Government at a low rate of interest, loans of this nature being divided pro rata between all the Banks.

The profits, after making provision for increased Government taxes, are also satisfactory. It has been necessary however, to reduce the rate of dividend because of the 1942 Amendment to the Excess Profits Tax Act, the effect of which is that, after providing for Income and Excess Profits Taxes, a corporation can no longer have available for dividend disbursement more than an amount equivalent to 70% of its average taxable profits for the four years, 1936-1939 inclusive.

The strength and liquidity of the Bank as shown by the averages have been fully maintained, in fact the figures are better than those of a year ago.

The General Manager's explanations under the various headings cover the Balance Sheet quite fully and I will therefore deal rather with economic conditions, particularly the changes brought about by the war which fortunately, at the moment seems to be proceeding favorably for the United Nations and I think we all agree points to an ultimate and complete victory.

BUSINESS AND ECONOMIC CONDITIONS

The war is bringing about marked changes in business, economic and social conditions in Canada. It has substantially increased the productive capacity of the country and stimulated the production of new materials. These changes are due largely to the extensive war production programme and partly to the inevitable industrial, commercial and financial adjustments to a wartime basis. The country has travelled far in the intensification of war activities and the effects of emergency demands on production facilities are being increasingly felt, causing some dislocation in industry and trade. It is obvious that a country cannot divert an increasing share of its productive capacity to wartime channels without impairing some parts of its industrial structure, and it is equally clear that the energies of the people cannot be turned from the production of the necessities and comforts of life to the production and use of implements of war without a corresponding decline in the standard of living. Some of the major strains are now developing and greater sacrifices will probably be necessary if the duration of the war is extended.

DOMINION GOVERNMENT FINANCING

Dominion Government financing and banking expansion have reflected the influence of the economic expansion during the war period. It is reported that the expenditure of the Dominion Government on war operations for the first seven months of the present fiscal year, 1st April to 31st October, amounted to $1,221,736,997. compared with $607,397,939. in the same period of last year. Additional outlay on behalf of the British Government is reported to be $828,928,000. making total war expenditures of approximately $2,050,000,000. for the seven months. Total Government expenditures for the first seven months of the fiscal year are reported at $2,374,471,038., nearly triple the figure for 1941 of $841,693,432. As the expenditures are steadily advancing it appears that the budget estimate of a total expenditure of $3,900,000,000. for the current fiscal year may be exceeded.

BANKING

To raise the enormous sums of money necessary to finance the war we have had three Victory Loans, the latest one amounting to nearly One Billion Dollars, besides which there have been the borrowings by the Dominion Government from the Chartered Banks to which I have already alluded, and substantial and growing tax collections. It is reported that Income Tax collections alone for the seven months ended 31st October amounted to $798,488,628. We may look for further Government borrowings later on, but taxation seems to have almost reached the point where the people can stand little or no further increase.

It is worth noting that the Dominion and Provincial security holdings of the Chartered Banks increased in the last twelve months from $1,454,898,000. to $2,057,360,000., indicating the increasingly important role that the Banks are playing in Government financing. The total deposits of all kinds in the Chartered Banks have grown from $3,099,000,000. at the outbreak of war to $4,074,000,000. on 30th September, 1942, an increase of $975,000,000. Current loans to the public amounted on 31st August, 1939, to $826,000,000. This figure had grown by 30th September, 1942, to $978,000,000., an increase of $152,000,000. The total assets of the Chartered Banks on 30th September, 1942, amounted to $4,561,000,000., compared with $3,548,000,000. in August, 1939, an increase of $1,013,000,000. The Banks have been well able to meet the financial needs not only of the Government but also of the vast expansion in business brought about by the war.

AGRICULTURE

Many new records of production and marketing have been established in Canadian agriculture during 1942. Grain production, which is of major importance in itself and also forms the basis for live stock production, reached a new all-time high. Favourable weather conditions in the Prairie Provinces resulted in a wheat crop of 587 million bushels for the three Provinces despite a slight contraction in acreage. An increase of 1.5 million acres in the area devoted to oats, combined with high yields, resulted in a crop of 661 million bushels for all Canada which is more than double the 1941 output. Increased acreage and higher yields resulted in a record barley crop of almost 272 million bushels. The total supply of feed grains on hand is more than adequate to meet the requirements of the present expanded live stock production. Numbers of all classes of live stock at June 1, 1942, showed substantial gains over the same date a year ago. The number of cattle increased by 5.1 per cent., sheep by 11.6 per cent. and hogs by 17 per cent. over 1941. These increases will provide for greater quantities of meats being available for the markets of Canada and United Nations during the coming year. With the exception of wheat, a ready market has been available for all Canadian agricultural products and although price ceiling regulations have limited farmers' income to some extent the prices of most farm commodities are now substantially higher than they were in 1939 and farm cash income is back close to the previous high record of 1928. The dairy industry has been more active and although there was a slight falling off in the production of butter the output of factory cheese production has increased by 40.5 per cent.

FORESTRY

Labour shortages have adversely affected the operations of the lumber and paper industries. Newsprint production was the first major industry to be concentrated on a continental basis as the result of the joint efforts of Canada and the United States. The move was aimed to facilitate control in allocating newsprint tonnage among the various producers. During the first nine months Canadian production was 2,400,000 tons, a reduction from 1941 of slightly less than 4 per cent. Shipments of newsprint from Canada to the United States during the first nine months of 1942 represented 71 per cent. of the total requirements of that country. Indications are that these shipments may have to be curtailed as time goes on if our own requirements are to be fully met. A shortage in newsprint may be anticipated in view of the plan to close additional mills to conserve power and release men for the armed forces and the lumber industry. Lumber has extensive uses as a substitute for materials in which shortages exist, and the Timber Controller has appealed to lumbermen to produce a maximum quantity. Costs of materials, labour and transportation are greatly in excess of pre-war years, although price control and rationing are a decided help in checking these costs.

MINING

Base metal mining and smelting operations recorded an expansion over the first nine months of 1941. The base metal producers are operating at capacity levels to meet wartime demands.

Canada's output of copper is the third largest of any country. It has increased somewhat over the production of nearly 272,000 tons reported for 1939. Copper-gold producers, of which Noranda Mines is the largest in Canada, should be assured of a preferred position by the Selective Service authorities. Copper and nickel production in the Sudbury district has been accelerated by the shift of miners from the gold camps of Northern Ontario. The policy of Selective Service toward gold-mining labour is described as being based upon the treatment of such mining as one of the general group of non-essential industries. The adverse conditions under which the gold mines are operating in wartime have already curtailed the output somewhat. Production of gold in the first eight months of the present year was 3,318,000 fine ounces, against 3,560,000 in the corresponding period of the preceding year.

ELECTRIC POWER

The industrial expansion of the last three years has had the inevitable effect of putting a severe strain on the power resources of the Dominion. The net result is that all demands cannot be met with present facilities, and it has become necessary to take important measures for the conservation of power. Because Canada is so rich in power potentialities, some of the most vital industries of the war, requiring large amounts of electricity, have been centred by the United Nations in this country. An example is aluminum production, for which ample supplies of electric power are essential. The output of electric power rose from 23.9 billion kilowatt hours in the first nine months of 1941 to 27.5 billion in the same nine months of 1942. We are told that the Ontario Hydro-Electric Commission has expended $50,000,000. on new construction since the outbreak of hostilities—and the end is not yet.

MANUFACTURES

The industrial structure has been largely transformed in the last three years. Manufacturing concerns have received directly or indirectly the great bulk of war contracts. The transformation has been effected partly by the capacity operation of existing plants and the construction of many new ones. A large number of plants producing civilian goods have either reduced operations or transferred to war work. Canada's productive capacity is no longer adequate to support a parallel expansion in the output of war materials and consumers' goods. The latter are now being held in check by a rigid system of controls and priorities. The net result of the marked changes was an advance of 37 per cent. in the reweighted index of the volume of manufacturing production computed by the Dominion Bureau of Statistics. The output of steel and iron rose 33 per cent. and 55 per cent. respectively, in the same comparison. The outstanding gain has been in mechanical transport, aircraft, tanks and chemicals.

TRANSPORTATION

The demands made upon railway transportation during the last three years have exceeded those of the last war by more than 60 per cent. The traffic for the first 43 weeks of 1942 was 2,776,000 cars, against 2,607,000 in the same period of 1941. An index of the weight of traffic carried recorded an even greater advance at 9.2 per cent. The net earnings of the two principal systems reached nearly $95,000,000. in the first nine months, against $19,000,000. in the same period of 1939. The gross revenue for the nine months at $457,953,000. was greater than in the same period of any other year, and it is anticipated that when the records for the year are complete the previous maximum for 1928 will be surpassed. The railways have done a grand job, and it is gratifying to note from their reports in the press that they are able to take care of more passengers and more freight should the necessity arise.

PRICES

It is now about a year since price ceilings were instituted in Canada and a reference to the results may be considered timely. The natural trend of wholesale prices has been steadily upward since the beginning of the war, but it has been held in check to a great extent by the instrumentality of price control, following a marked prior advance. The index of wholesale prices, as recorded by the Dominion Bureau of Statistics on the base of 1926, averaged 95.2 in the first eight months of the present year against 88.0 in the same period of 1941. The standing in July was higher than at any other time since 1929.

The rise in Canadian farm product prices, most lines of which have been exempt, was in marked contrast with the experience in the other components of the general wholesale index. According to the Dominion Bureau of Statistics, prices of Canadian field crops rose by 18.4 per cent. in the twelve months and the price of animal products by 13.8 per cent. against a gain of 2.4 per cent. in the general index. Having risen nearly 16 per cent. in the last year, the Canadian farm products price index now shows an advance of over 44 per cent. since the outbreak of war.

The dollar value of retail trading in 1942 continues to stand month by month higher than in the corresponding months of 1941. Total retail sales for the first eight months of 1942 are reported to be 16 per cent. above the corresponding period of 1941. Part of the increase in dollar volume of business is attributed to price movements, the average price index for the first eight months of 1942 standing at 6 per cent. above the average for 1941 and 20 per cent. above the average for the twelve months of 1939.

We are now in the fourth year of the war, which has been the most bitterly contested and savage of all time and while at the moment the outlook is favorable the only way to keep it favorable is to keep on fighting with every weapon in our power until victory is complete. In the meantime it is difficult to grasp what the war is doing to our country and our people, such as the effect on the Bank and all it stands for. The immediate result has been to swell the business of the Bank as I have earlier pointed out. What the ultimate effect will be on the Bank's business it is hard to foretell. One thing appears certain that through the vicissitudes of sixty-eight years your Bank has made steady progress, even if there has been a moderate set-back here and there, and I see no reason why it should not go on, go ahead, and prosper. There is little doubt that there will be business failures and upsets but I can assure you that the position of our Chartered Banks was never better or stronger and no matter from what quarter any storm may come there is nothing that I can see to prevent them from carrying on the business of the country undisturbed.

In framing these remarks and coming to these conclusions I have been assisted in my studies by very comprehensive letters from the Managers of the Bank's Branches. The Managers not only furnished interesting and valuable information regarding conditions in their immediate surroundings but many of the letters show a wide grasp of general and national affairs. I take this opportunity of thanking all the writers.

I would also like to pay my tribute to the five hundred odd members of the staff who have given their services to the forces and are risking their lives for their country. We are inclined to take such actions as a matter of course but there is no doubt a risk and danger both to life and limb and to future prospects, which we who are older are more or less inclined to overlook. May our men in the field cover themselves with glory and as many as possible return to their families and friends and former occupations in due course. I also wish to associate myself and the Directors in the sentiments of sympathy expressed by the General Manager to the families of those fourteen officers who have already paid the supreme sacrifice.

I would not wish to and it would not be proper for me to sit down without paying my tribute to your Board of Directors, your General Manager, and your executive staff in Toronto and elsewhere. I can assure you that results such as you have seen today are not achieved without the most faithful and painstaking labours by all concerned and that the Directors and Management are entirely deserving of the thanks of this meeting.

MR. H. T. JAFFRAY

General Manager

The Profit and Loss Account for the year ending October 31st, 1942, has been reported to you by the Secretary. The net profits, after deducting taxes, the usual contributions to the Pension and Guarantee Funds, and after making transfers to Contingent Account to provide for all bad and doubtful debts or assets amount to $836,149.05—a decrease of almost exactly $36,000. when compared with the previous year. Against this you will note that Dominion Government taxes showed an increase of approximately $48,000. and as owing to the reduced limit of our circulation the tax thereon was approximately $8,000. less than a year ago the total increase in taxes against profits amounted to approximately $56,000. although the new scale of taxation only affected us for the last four months of the Bank year.

With your August 1st dividend cheque you were advised that the basis of the present taxation limiting as it does the amount of earnings which we can retain would not permit of the continuation of a 10 per cent. dividend, and that the rate would be reduced to 2 per cent. quarterly instead of 2½ per cent. Our net earnings of $836,149.05 permitted of the payment of the usual dividend for the first nine months and the reduced dividend for the last three months, amounting in all to $665,000., of the usual write-off of $150,000. for depreciation of Bank Premises and allowed us to carry forward in Profit and Loss Account $21,149.05 making the total of our Profit and Loss balance as on October 31st, 1942, $719,991.27. A year ago this balance was $698,842.22. We trust you will consider the showing not unsatisfactory.

LIABILITIES

Turning to the Balance Sheet and taking the liabilities in order you will see that Notes in Circulation show a reduction of $728,393.00, which is almost exactly the 10 per cent. of our capital as called for annually until our Circulation is reduced to $1,750,000. by the 1st of January, 1945. A further reduction of approximately $700,000. may be looked for next year.

DEPOSITS

Deposits by the Dominion Government, by Provincial Governments and by the public now total $217,352,616. compared with $179,929,434. a year ago—an increase of $37,423,182. The distribution of this increase is $604,000. in the balance of the Dominion Government; $5,132,000. in the balances of Provincial Governments; $26,447,000. in deposits by the public not bearing interest and $5,241,000. in deposits by the public bearing interest. I might draw your attention to the fact that the latter item for the first time in the history of the Bank exceeds the $100,000,000. mark, and in view of the inroads made on these deposits by the Victory Loans of February last, and to some extent by the loan which was under way at the time our year ended, I think we may regard the growth in each item as satisfactory. Deposits by and balances due to other Chartered Banks in Canada and to Banks and Banking Correspondents abroad total $3,336,568. A year ago the total was $3,301,717.—the change is slight. These items make total liabilities to the public of $224,160,021. compared with $187,430,362. a year ago—an increase of $36,729,659.—or a little over 19 per cent. Acceptances and Letters of Credit outstanding amount to $3,537,895.—an increase of $236,000. as compared with a year ago.

ASSETS

Now taking the assets—Our holdings of cash, which include coin, Bank of Canada notes, deposit with Bank of Canada and notes of other Banks amount to $24,018,857., or 10.7% of our total liabilities to the public, and when we include our other immediate assets of cheques on other Banks and deposits with and balances due from other Banks in Canada and abroad the total comes to $41,156,961. being 18.3% of our total liabilities to the public. A year ago this percentage was 17.89%. Dominion and Provincial Government direct and guaranteed securities maturing within two years amount to $68,679,342., as compared with $28,819,396. a year ago—an increase of approximately $40,000,000. or an amount slightly exceeding our total increased liabilities. This increase is entirely made up of Dominion of Canada Six Month ¾ of 1% Deposit Certificates, being our share of Government financing undertaken through the Banks during the year. Of our amount about $12,000,000. worth has been redeemed from the proceeds of the recent Victory Loan. Other Dominion and Provincial Government direct and guaranteed securities not exceeding market value amount to $38,283,298. compared with $41,329,136., and of this total of nearly $107,000,000. approximately $92,000,000. will mature within the next five years. Canadian Municipal securities not exceeding market value total $5,407,081. as compared with $6,532,772. a year ago—a reduction of $1,125,000., and other bonds, debentures and stocks not exceeding market value total $60,054. compared with $47,287. a year ago.

Our total investment portfolio now amounts to $112,429,776.—an increase of $35,701,000. as compared with a year ago. Call and Short Loans against stocks and bonds amount to $1,588,017., compared with $2,989,701., and the total of our readily realizable assets amounts to approximately 70% of our total liabilities to the public. Loans to Provincial Governments amount to $417,895.—a slight increase of $67,000., and loans to Cities, Towns, Municipalities and School Districts total $3,159,193.—a reduction of $870,000. again accounted for by better tax collections and more careful spending on the part of many of our Municipalities.

The next item on the Balance Sheet is Current Loans and Discounts in Canada which this year amount to $75,468,640. a reduction of $4,140,000. from a year ago when the total stood at $79,609,294. To a very considerable extent this comparative reduction is accounted for by the lateness of the Western harvest. A year ago our grain customers were borrowing freely from early September on—this year delivery of the crop only began in the last two weeks of October. Also, a year ago we were carrying substantial advances against bonds of the Victory Loan of the previous June. This year our advances against the Victory Loan of last March were almost entirely paid off by Oct. 31, and borrowings against the recent Loan did not commence in any volume until the first few days of November. I am satisfied that our volume of commercial loans has been well maintained.

BANK PREMISES

Our Bank Premises Account, after the annual write-off of $150,000., you will note now stands at $5,424,633.—a reduction of $159,584. During the year no new premises were erected, but we are at present rebuilding our Sault Ste. Marie office, which was badly damaged by fire some months ago.

The remaining items in the Balance Sheet, namely—Non-Current Loans, Real Estate other than Bank Premises, Mortgages on Real Estate Sold and Other Assets call for no particular comment, the total of them showing a reduction of $90,900. during the year, and amounting to $379,455.

A year ago I told you that it was the policy of your Directors and the Management to keep the affairs of the Bank in a very liquid condition in order to meet any calls that might be made upon us in connection with Dominion Government financing and in connection with industrial activity, both as a result of the war effort and of the business requirements of our many customers. I think you will agree that this policy has been adhered to.

BRANCHES

During the year no branches of the Bank were opened. Our branch at Springwater, Sask. was transferred to Landis, Sask. and the following branches were closed. In the City of Toronto — Pape and Sammon; 78 Church St.; Woodbine and Sammon; Exhibition Camp and 431 Yonge St. In the Province of Ontario — Crystal Beach (sub to Ridgeway), Hudson, Newmarket, Pickle Crow and Central Patricia, also Bourlamaque in the Province of Quebec; Arlington and Westminster Sts., Winnipeg, and Hague, Midale and Balgonie in the Province of Saskatchewan, New Norway in the Province of Alberta and West Vancouver in the Province of British Columbia, a total of 17 branches, leaving us with 179 branches in operation. Owing to the shortage of manpower and under pressure from the Wartime Prices and Trade Board it is expected that this trend will continue somewhat further, but I would point out that in practically every case the business of the closed branch is transferred to another branch or we acquire the business of a branch of some other Bank in exchange for the business of the one we close so that the total volume of the Bank's business is not affected much.

SHAREHOLDERS

Shareholders of the Bank on Sept. 30th, 1942, numbered 2,733—an increase of 25 during the year. 6,255 of our shares are held by residents of United States—a decrease of 260 during the year. The number of American Shareholders is 300.

STAFF

The staff of the Bank as on October 31st, 1942, numbered 1,591—an increase of 31 during the year. These figures do not include 490 members who are on active service. Total enlistments from our staff since the outbreak of the War number 518. Of this number fourteen have returned to duty under discharge from the Forces and I deeply regret to state that a further fourteen have made the Supreme Sacrifice. We extend to their relatives and friends our sincere sympathy. The percentage of our male staff at the outbreak of the War who have enlisted to date is over 43%.—We are proud of these young men and of their willing response to their Country's call. As you are aware the places of these men have to a great extent been filled by the appointment of girls and of our total of 1,591, lady members now number 900—or 56% of the total staff—of this number 743 are temporary appointments for the Duration of the War. I cannot speak too highly of the manner in which these young ladies have taken hold of their work and enabled the bank to continue to give an efficient service to the public.

We have as usual received reports on business conditions from all branches of the Bank. The outstanding features are the great activity of War industries of one kind and another and the large crops harvested in Western Canada this year. Owing to inclement weather threshing is not in all parts completed, but the percentage remaining is small and there seems to be little doubt that in the final returns the wheat crop will approximate 600 million bushels with largely increased crops of oats and barley. The marketing of the wheat crop will be slow but it is expected that the bulk of the coarse grain crops will be used for feeding purposes. In Ontario all crops were excellent, prices have been satisfactory and the farming industry has again enjoyed a good year.

The President will deal in his address with general conditions and I have little more to say. I referred last year to the danger of inflation. It has been held in check by various controls, some of which are perhaps irksome, but I think the main picture must not be lost sight of and my judgment is that to date the action of the Government has been necessary and has been successful.

Before closing it is again my privilege to express my appreciation of the support and assistance that the management has received during the year from your President, the Vice-Presidents and each and every member of the Board of Directors. Their help and advice have been of the greatest value.

The following were elected Directors: Messrs. A. E. Phipps; Col. J. F. Michie; R. S. Waldie; G. C. Heintzman; J. W. Hobbs; Walter C. Laidlaw; John A. Northway; G. H. Aikens, K.C., Winnipeg; H. E. Sellers, Winnipeg; R. O. McCulloch, Galt; W. B. Woods; Arthur L. Bishop; E. E. Buckerfield, Vancouver; C. G. Cockshutt, Brantford; Herbert H. Horsfall.

A subsequent meeting of the Directors elected: Mr. A. E. Phipps, President; Col. J. F. Michie and Mr. R. S. Waldie, Vice-Presidents.

POWER EXECUTIVE

Gordon D. Hulme, M.E.I.C., who has been appointed assistant manager of the department of development of the Shawinigan Water and Power Co., Montreal.

The Shareholder

First of the bank reports to appear suggest that earnings have been well maintained in the past year, perhaps somewhat better than shareholders had been led to believe following the series of bank dividend reductions. The three to report to date—Imperial, Dominion and Commerce—have each shown smaller net profits but the decline has not been great.

Of interest is the appearance among the bank reports of items for the refundable portion of Excess Profits Tax. The amounts vary, being $5,214 for the Imperial Bank, $46,707 for Canadian Bank of Commerce and $15,958 for the Dominion Bank. In each case it appears that the banks have chosen to report net profits after deducting the gross amount of the tax, including the postwar refund. This contrasts with the policy adopted by some industrial companies which have shown the refundable portion of the tax as a part of the year's earnings. It is obvious that the banks must be earning gross profits well above their pre-war average, as only those companies earning more than 116 2/3% of their 1936-39 average are subject to 100% EPT and consequently have a refundable portion coming to them after the war. But it is unfair to assume from the relatively small decline in net profits this year that the same will be true for 1943 as in that year new tax rates will apply for the full 12 months instead of only for four months as in the present case.

* * *

St. Lawrence Paper Mills' ability to pay $3.75 a share on its 6% preferred stock this year, including the extra of 75 cents, apparently is due to payment of the preferred dividend of $6 a share, or $108,000, by Lake St. John Power & Paper, all of which comes to St. Lawrence Paper. This would be equivalent to something over 80 cents a share on the St. Lawrence Paper preferred. Earlier reports had indicated that St. Lawrence Paper might not earn more than $3 a share this year but this estimate made no allowance for the Lake St. John payment.

Lake St. John's dividend, it is thought, comes partly from earnings of 1941 when the company had net profit of $104,000. Adding this to whatever may be earned this year, which will not likely equal last year's level, make it possible to again pay $108,000 to St. Lawrence Paper.

* * *

A similar situation develops for St. Lawrence Corp., the top holding company controlling St. Lawrence Paper and Brompton Pulp & Paper. In this case it is declaration by Brompton of an extra of 50 cents, in addition to its regular $1 a share, which permits St. Lawrence Corp. to pay an extra of 50 cents toward arrears on its class A preferred. The Brompton extra will bring this company's 1942 payments to a total of $1.50 a share which would compare with $2 a share paid for 1941.

Windsor Apts. Get Offers

Bid $15,000 Each For Killarney and Inverness Apartment Houses

Inverness Apartments, Windsor, had gross revenue of $3,262 in 1941 against expenditures of $1,866, leaving profit of $1,396. This compares with 1940 gross of $3,048, expenses of $1,961, and profit of $1,087. Cash balance on hand at the end of 1941 amounted to $3,523 subject to claims for legal and receiver's fees.

London & Western Trusts Co., receiver, advises that an offer of $15,000 has been received for Inverness Apartments, contingent upon acceptance of a like offer for the adjacent similar building known as Killarney Apts. This offer will be submitted to the court. If no serious contention arises, involving substantial legal costs, it is estimated that the net proceeds available for distribution to holders of the 7% first mortgage bonds would amount to approximately 65% of their claim for principal.

Killarney Apts., adjacent to the Inverness Apts. has had a similar offer of $15,000. On the same basis as Inverness this would work out to about 65% of the principal claim.

Killarney Apts. had 1941 gross revenue of $3,576 and expenditures of $2,088, leaving profit of $1,488. In 1940 gross was $3,356, expenditures $2,167 and profit $1,189. Cash balance on hand at the end of 1941 amounted to $3,956, subject to claims for legal and receiver's fees.

Estate of Arthur J. Hardy Deceased

JENKINS & HARDY
HARDY & BADDEN

Take notice that Arthur James Hardy died at the City of Toronto in the County of York on the 16th day of September, 1942, and that his interest in the business of Jenkins & Hardy has been acquired by Messrs. Harvey A. Lever and J. Frank Hoskin, and his interest in the business of Hardy & Badden has been acquired by Mr. H. J. Badden.

Both businesses will be continued by the purchasers at the present offices, 1305 Metropolitan Building, Toronto.

Dated at Toronto this 7th day of November, 1942.

Chartered Trust and Executor Company and J. Lorne Davidson, Executors of the Estate of Arthur J. Hardy, deceased, by Cox, Evans and Noble, their Solicitors herein.

"Canada Pays"

We have prepared a review entitled "Canada Pays", dealing with several topics of immediate interest to Canadians. The subjects included are:

Canada's Financing
Canada can carry the load
Canadians are paying heavy taxes
Canadians are lending their money
Canadians are saving their money
Canada gives full support to Great Britain
Canada stabilizes production and living costs
Canada's man and woman power
Canada's production of war materials

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Pres. and Mgr.
HOTEL NORTON PALMER

FUTURE MARKETS?

IS THIS THE BEGINNING OF THE LONG AWAITED IMPROVEMENT IN STOCKS?

- From the low of June, 1940, to recent levels, British stocks have registered substantial gains in the industrial share index. In comparison with this Canada's and United States markets have shown considerably less improvement.

Many of our seasoned stocks can still be bought to yield from 5% to 10%.

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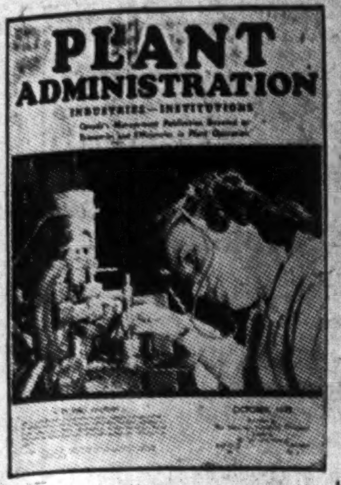

"HOW NOT TO IMPROVE MORALE"

Editorial repeated by popular request

Published first in the June edition of Plant Administration, there were so many requests for extra copies and reprints that the supply ran out over a month ago.

Hence it was repeated in the October issue, along with a number of other features of timely importance to industrial and institutional executives including:

- How one small manufacturer handles employer-employee relations.
- Eliminating pay-day delays and complaints.
- Industrial obscuration for efficient blackout.
- Principles of Camouflage.
- Accident Prevention a prime factor in manpower conservation.
- It may not be scrap yet.
- Boiler breakdown frequency reduced by regular inspection.
- Air conditioning of blackout plants.

Such features guarantee keen reader interest in Canada's management publication specializing on equipment, operation and management of industries and institutions. Advertisers may reach this important market effectively now, and during 1943 through

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(Rates and full information on request)

Decoa Mines has given notice that it will apply for leave to surrender its charter.

Bank Earnings Decline

Remain Above Dividend Rates – Deposits, Investments Up

Annual reports of three of the Canadian chartered banks which close their fiscal years on Oct. 31, published this week show generally uniform results.

Large increases in total assets due mainly in Dominion Government securities; smaller volume of current loans; larger deposits; lower earnings, due mainly to increased taxes.

The banks whose reports have appeared are the Commerce, Dominion and Imperial. Of these only one, the Imperial, has held its annual meeting, hence is the only bank to provide official comment on the year's results.

At the meeting of Imperial, President A. E. Phipps said:

"The profits, after making provision for increased government taxes, are also satisfactory. It has been necessary, however, to reduce the rate of dividend because of the 1942 Amendment to Excess Profits Tax Act, the effect of which is that, after providing for income and excess profits taxes, a corporation can no longer have available for dividend disbursement more than an amount equivalent to 70% of its average taxable profits for the four years, 1936-1939 inclusive."

All the Canadian banks but one have reduced their dividends in recent months for the reason stated by Mr. Phipps. As shown in the tables below part of the excess profits tax is refundable after the war.

Reduction in current loans of the Imperial was explained by H. T. Jaffray, the general manager, on grounds that probably also apply to the other banks:

"To a very considerable extent this comparative reduction is accounted for by the lateness of the western harvest. A year ago our grain customers were borrowing freely from early September on—this year delivery of the crop only began in the last two weeks of October. Also, a year ago we were carrying substantial advances against bonds of the Victory Loan of the previous June. This year our advances against the Victory Loan of last March were almost entirely paid off by Oct. 31, and borrowings against the recent loan did not commence in any volume until the first few days of November. I am satisfied that our volume of commercial loans has been well maintained.

Important items in the reports of the three banks are given in the tables:

Bank of Commerce

PROFIT AND LOSS

	1942	1941
Profits*	2,936,053	3,013,152
W/o bank premises	*350,000	350,000
Tr. pension fund	258,705	253,994
Dividends	2,250,000	2,400,000
Bal. for yr. P. & L.	77,348	9,158
Bal. forward	871,510	794,162
Earned per share**	7.76	8.03
Paid per share	7.50	8.00

*After appropriations to contingent reserve fund from which provision for bad and doubtful debts has been made and after deducting Dominion Government taxes of $1,830,858 in 1942 (of which $46,707 is refundable under the Excess Profits Tax Act) and $1,665,987 in 1941.

**After premises write off.

ASSETS

	—Oct. 31— 1942 $	1941 $
Cash & cash items	147,966,232	119,206,627
Securities:		
Dom. & Prov. 2 yr.	252,701,841	99,238,393
Do., over 2 yr.	119,779,24	137,475,207
Can. municipals	5,847,959	9,424,829
For. public secs.	28,799,824	28,945,911
Others	9,823,709	12,816,524
Call loans, Can.	6,849,936	8,445,204
Call loans, ex. Can.	18,734,573	11,027,372
Dep. note circ.	800,000	852,000
Current loans, Can.	212,516,853	249,128,821
C'rent loans, ex. Can.	20,713,827	18,344,463
Loans to prov's.	582,755	4,401,766
Loans, municipal	10,934,340	13,372,665
Non-cum. loans	995,823	1,322,227
Letters of credit, etc.	28,569,123	25,966,261
Real est., ex. bk. premises	2,096,915	2,326,154
Mortgages	874,593	1,000,811
Bank premises	13,664,851	13,946,617
Sub. Co. shares	3,802,515	3,586,901
Other assets	605,643	581,218
Total assets	886,660,544	761,407,978

LIABILITIES

	1942	1941
Note circ.	14,176,913	15,799,116
Deposits:		
Dom. Govt.	25,696,311	37,961,853
Prov. Govt.	25,376,228	16,270,992
Public demand	348,401,057	252,067,982
Public savings	379,220,492	351,428,956
Other banks	13,865,494	10,495,466
Total deposits	792,559,583	668,225,251
Letters of credit	28,569,123	25,966,261
Divds. due & unpaid	33,413	23,187
Divds. payable	450,000	600,000
Capital paid-up	30,000,000	30,000,000
Res. fund	20,000,000	20,000,000
Prof. bal. P. & L.	871,510	794,162
Total liabilities	886,660,544	761,407,978

Dominion Bank

PROFIT AND LOSS

	Oct. 31 1942 $	1941 $
Profits*	920,990	939,322
W/o premises	150,000	150,000
Officers pen. fund	105,000	85,000
Dividends	665,000	700,000
Cr. Bal. P. & L.	990	4,322
Bal. forward P. & L.	866,501	865,511
Earned per sh.**	9.51	10.06
Paid per share	9.50	10.00

*After making appropriations to contingency accounts out of which full provision for bad and doubtful debts has been made and after deducting Dominion Government taxes in 1942 of $537,246, of which $15,858 is refundable under the provisions of the Excess Profits Tax Act. Dominion taxes in 1941 were $449,004.

**After deducting premises write off.

ASSETS

	—Oct. 31— 1942 $	1941 $
Cash	39,791,426	33,889,378
Securities:		
Dom. & Pro. 2 yrs.	59,064,358	19,211,552
D. & P. over 2 yrs.	24,568,050	19,060,248
Municipals	1,365,919	1,605,646
Other Pub. Sec.	776,093	888,732
Othre sec.	1,394,431	1,881,989
Call loans Can.	1,046,618	1,507,034
Call loans ex. Can.	2,271,027	1,867,728
Dep. for note issue	182,810	219,170
Total quick assets	130,460,734	80,131,481
Current loans Can.	70,495,711	78,817,398
Cur. loans ex Can.	279,941	700,191
Prov. loans	651,671	644,850
Mun. loans	186,208	305,945
Non curr. loans	130,463	146,165
Bank premises	5,233,625	5,386,931
Real estate	18,483	26,171
Mortgages	23,446	38,432
Other assets	203,156	202,898
Letters of credit, etc.	4,759,996	2,329,227
Total assets	212,443,439	168,729,675

LIABILITIES

	1942	1941
Note circulation	3,519,749	4,189,539
Deposits:		
Dom. Govt.	10,532,396	9,436,815
Prov. Govts.	1,932,878	1,742,108
Public no interest	83,520,890	48,710,903
Public savings	88,653,606	83,261,707
Other banks, Can.	2,827,331	2,258,769
Other bks. ex. Can.	912,469	1,006,621
Other liabs.	776,768	751,625
Letters of credit	4,759,996	2,329,227
Total liabs. to pub.	197,436,086	153,686,919
Capital paid up	7,000,000	7,000,000
Reserve	7,000,000	7,000,000
Bal. P. & L. fwd.	866,501	865,511
Divid. declared	140,000	175,000
Divids. unclaimed	851	2,245

Imperial Bank

PROFIT AND LOSS
Years Ended Oct. 31

	1942 $	1941 $
Net profits*	836,149	872,190
w/o bank premises	150,000	150,000
Dividends	665,000	700,000
Balance forward	21,149	22,190
Previous balance	698,842	676,652
Profit and loss balance forward	719,991	698,842
Earnings per sh.**	9.80	10.32
Divds. per sh.	9.50	10.00

**After premises write-off.

*After deducting Dominion Government taxes of $552,389 in 1942 and $504,533 in 1941 and contributions to staff pension and guarantee funds of $106,650 in 1942 and $105,912 in 1941. Of 1942 Dominion taxes $5,214 are refundable under the Excess Profits Tax Act.

ASSETS

Assets	1942 $	1941 $
Cash	24,018,857	18,445,491
Depos. for note issue	193,325	232,035
Due from other banks	16,944,779	14,865,635
Total cash or equiv.	41,156,961	33,543,161
Securities:		
Dom. & Pro. 2 yrs.	68,679,342	28,819,396
Dom. & Pro. over 2 years	38,283,298	41,329,136
Municipals	5,407,082	6,532,773
Other	60,055	47,287
Call loans in Canada	1,588,017	2,989,701
Total Quick Assets	155,174,755	113,261,454
Loans to provinces	417,895	350,565
Loans to munic., etc.	3,159,194	4,029,265
	3,577,089	4,379,830
Cur't loans in Canada	75,468,641	79,609,294
Non-current loans	133,275	215,347
Real estate	19,719	38,683
Mortgages	171,759	216,363
Bank premises	5,424,633	5,584,218
Letters of credit	3,537,896	3,282,091
Other assets	54,705	......
	243,562,472	206,587,280

LIABILITIES

	1942 $	1941 $
Notes in circulation	3,470,817	4,199,210
Deposits:		
Dom Govt.	16,046,267	15,442,139
Prov. Govt.	18,806,068	13,673,971
Pub. demand	82,122,051	55,675,905
Pub. savings	100,378,231	95,137,420
Due other banks	3,336,588	3,301,717
Total deposits	220,689,205	183,231,152
Letters of credit, etc.	3,537,896	3,282,091
Capital paid up	7,000,000	7,000,000
Reserve Fund	8,000,000	8,000,000
Divds. decd. & unpaid	144,563	175,985
P. and L. balance	719,991	698,842
	243,562,472	206,587,280

Religious Order Puts Bonds on Market

From Our Own Correspondent

MONTREAL.—A syndicate headed by L. G. Beaubien & Co. and including Banque Canadienne Nationale and Lagueux & Desrochers, is offering for public subscription an issue of $500,000 of bonds, non-redeemable before maturity, of l'Institut des Freres de Notre-Dame de Misericorde (Orphelinat d'Huberdeau.) The issue is comprised of $403,000 principal amount of 3½% bonds and $97,000 of 3%. The issue is "guaranteed without reserve by the Province of Quebec and constitutes the only securities outstanding."

Municipal Bonds

Nov. 24, 1942

	%	Due	Bid	Ask	Yld. %
†Halifax	5	1961	113.50	116.50	3.77
Hamilton	5	1950	110.25	113.25	3.00
Montreal	5	1945	94.00	97.00	*
Ottawa	4½	1945	104.00	105.50	2.35
†Quebec	5	1959	109.50	112.25	4.00
Saint John	5	1950	106.50	109.50	3.63
†Toronto	4½	1955	117.50	120.50	2.53
†Vancouver	5	1970	103.00	106.00	4.62
Winnipeg	5	1944	100.00	103.00	2.54

†Payable Can. & N.Y. *Flat.

Army, W. P. B. Bury Hatchet

(Continued from page 1)

to be approved all over again by the munitions board.

Eberstadt emerged with the British allocation system tailored into what is now known here as the Controlled Materials Plan. At the same time Nelson had enlisted from private industry a top-flight production man in Charles E. Wilson, president of General Electric.

Nelson said that Wilson had "top production authority" and last week he gave him two of the toughest jobs in the war programme:

To double aircraft production within a year.

To balance up the programme in munitions and ordnance as well.

But when there was delay in announcing the new aircraft scheduling unit which was to become what Nelson called a "little W.P.B." for the aircraft industry, reports spread in Washington that Somervell resented this transferred authority from the service procurement agencies.

"Here Is the Showdown"

Wilson was said to be asking for not only authority over schedules but over procurement direction as well. The Army was said to balk. When Nelson called at the White House Washington whispered — "Here is the showdown."

But, said the President, Nelson didn't even mention the matter.

If the President's advice is taken and the American war production chiefs do settle their differences, the United States will have an all-star team.

Here is the way it lines up:

Nelson is patient, judicious and can sift the arguments; make decisions on policy;

Somervell, the Army's chief, has the necessary driving power to light fires under reluctant bureaucrats and others too timid to cut down civilian economy;

Eberstadt is blunt, direct but his investment banking experience is standing him in good stead as an administrator and executive;

Wilson has not been much in the limelight yet. A top production man, he is the only one of the "big four" who understands production problems from the standpoint of the executive in the factory and the administrator of a large enterprise. His job is to "balance" the programme.

VICTORY LOAN
BONDS

BELL, GOUINLOCK & CO.
LIMITED
MONTREAL TORONTO WINNIPEG

Can You Spare a Few Minutes?

WE know that you are busy—everyone is these days. That is exactly what we had in mind when we prepared our booklet outlining the advantages of appointing National Trust Company your agent in the management of your securities and other property.

Our booklet, "Management Made Easy for You" is short. It can be read in a few minutes and it may solve your problem of how to secure constant attention to your personal affairs while concentrating on your main job.

Write or telephone for a copy.

NATIONAL TRUST
COMPANY, LIMITED
20 KING STREET EAST, TORONTO

The SHERWIN-WILLIAMS Co. of Canada, Limited

and Wholly Owned Subsidiary Companies

Annual Report of Board of Directors for the Year Ending August 31, 1942

TO THE SHAREHOLDERS:

Herewith I have pleasure in submitting, on behalf of the Directors, the Consolidated Balance Sheet of your Company showing Assets and Liabilities at the end of its fiscal year, August 31, 1942, together with the Consolidated Statement of Earned Surplus and Profits for the year.

Your Auditors, Messrs. Price, Waterhouse & Company, have examined the books and accounts of the Company and their certificate and report is submitted herewith.

In accordance with our custom, all the properties of your Company have been maintained in good condition and the sum of $95,160.46 has been added to the Reserve for Depreciation which now amounts to $2,195,831.22.

Our usual care has been exercised in the taking of all inventories which have been priced on the basis of cost or market, whichever proved to be the lower. The increase in total inventory values arises from advisable additional provision for raw materials and for manufactured stocks under the present abnormal conditions.

The portion of your Company's business devoted to direct and indirect war production increased during the year and this was also true of the regular business of the Company, so that the total sales volume reached the highest figure in its history. The increase in sales amounted to 21%. At the same time cost of operations, including raw materials, wages, etc., continued its upward tendency, and the ratio of profit per unit of sale was therefore considerably lower. How far future operations will be affected by wartime restrictions and scarcities it is impossible to say.

The Consolidated Statement of Earned Surplus and Profits showed a net amount available for dividends, after all deductions, amounting to $641,865.10 as compared with $573,631.36 for the year ending August 31, 1941. These earnings are at the rate of $18.55 per share on the Preferred Stock of the Company and $1.99 per share on the Ordinary Stock.

The new provisions of the Excess Profits Tax Act applied to two months only of the fiscal year, but future provision will be on a higher basis for the full twelve months' operations. The refundable portion of the Excess Profits Tax is shown on both sides of the Balance Sheet.

Total tax provisions for the last four fiscal years were as follows:

Year ending August 31, 1939	$105,000.00
" " " 31, 1940	322,750.00
" " " 31, 1941	440,591.00
" " " 31, 1942	622,000.00

The Total Current Assets of the Company stood at $6,781,775.35 and Current Liabilities at $1,970,769.28, leaving a balance of Net Current Assets amounting to $4,811,006.07.

In the first quarter of the fiscal year the final arrears on the Preferred Stock were paid to shareholders and dividends on the Ordinary Stock were resumed, a total of $90,000.00 being paid to Ordinary Shareholders during the year.

The Earned Surplus of the Company which now stands at $4,764,432.96 was increased by $249,115.10, being the balance remaining after all provisions for taxes, payments, dividends and reserves as stated above.

Many of our employees have enlisted in the Armed Forces of the Dominion, but we have been able to replace them to a great extent with women workers.

I desire to extend to our staff everywhere sincere thanks for whole-hearted service and co-operation.

Respectfully submitted on behalf of the Board,

Montreal, Que., November 18, 1942.

GEO. A. MARTIN, Chairman.

Consolidated Balance Sheet, August 31, 1942

ASSETS

Property Account:		
Balance, August 31, 1941, with subsequent additions, less deductions, at cost	$9,463,490.37	
LESS: Reserve for Depreciation	2,195,831.22	$7,267,659.15
NOTE: The depreciated value as appraised by the Canadian Appraisal Company Limited at December 31, 1934, plus net additions less depreciation provided since that date is $3,459,836.60. The balance of the book value of Property Account is represented by Formulae, Trade Marks, Processes and Goodwill.		
Investments in and Advances to Partly Owned Subsidiary Companies:		
Investments, at cost, less reserve	$ 579,535.98	
Advances	71,280.71	650,816.69
Current Assets:		
Inventories as determined and certified by the management, and valued on basis of cost or market, whichever was the lower	$4,449,896.25	
Prepayments on account of Raw Materials in transit	92,467.65	
Trade Accounts and Bills Receivable, less reserve	1,922,927.46	
Other Accounts Receivable	124,085.43	
Amounts due from Shareholders	19,126.85	
Cash	173,271.71	6,781,775.35
Refundable Portion of Excess Profits Tax		15,723.81
Insurance, Taxes and Other Prepaid Expenses		116,473.07
		$14,832,448.07

Approved on behalf of the Board:

JOHN C. NEWMAN, Director
L. C. de MERRALL, Director

LIABILITIES

Capital Stock:			
Seven per cent. Cumulative Preferred—Authorized—40,000 shares of $100.00 each		$4,000,000.00	
Issued 34,600 shares of $100.00 each		$3,460,000.00	
No Par Value Ordinary—Authorized—225,000 shares Issued —200,000 shares		4,000,000.00	$7,460,000.00
Due to Partly Owned Subsidiary Company			551,522.02
Current Liabilities:			
Trade Accounts Payable and Accrued Liabilities		$1,096,192.55	
Deposit Accounts		113,353.01	
Reserve for Government and Other Taxes		761,223.72	1,970,769.28
Reserve for Allowances to Retired Employees			20,000.00
Reserve for Future Depreciation in Inventory Values			50,000.00
Earned Surplus, as per statement attached		$4,764,432.96	
Deferred Surplus:			
Refundable portion of excess profits tax		15,723.81	4,780,156.77
Contingent Liability:			
In respect to guarantee of the Bank Loan of a partly owned subsidiary company	$210,000.00		
			$14,832,448.07

Submitted with our Report to the Shareholders, dated November 16, 1942.

PRICE, WATERHOUSE & CO.
Auditors.

Auditors' Report to the Shareholders

We have made an examination of the books and accounts of The Sherwin-Williams Company of Canada, Limited and its Wholly Owned Subsidiary Companies for the year ending August 31, 1942, and have obtained all the information and explanations which we have required. Provision has been made for Income and Profits Taxes in amounts considered by the Directors to be sufficient and this provision is subject to final determination by the Income Tax Department. On this basis we report that, in our opinion, the attached Consolidated Balance Sheet at August 31, 1942, is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of The Sherwin-Williams Company of Canada, Limited and its Wholly Owned Sub-Subsidiary Companies according to the best of our information and the explanations given to us and as shown by the books of these Companies.

In accordance with Section 114 of the Companies' Act 1934, we also report that in respect to three partly owned Subsidiary Companies the profits for the year were taken up in these accounts to the extent that dividends were declared therefrom; in respect to two other partly owned Subsidiary Companies, the profits for the year have not been taken up in these accounts, but are carried forward on the books of the respective Subsidiary Companies.

PRICE, WATERHOUSE & CO.
Auditors.

Montreal, November 16, 1942.

Consolidated Statement of Earned Surplus and Profits, August 31, 1942

Combined Profit from Operations:		
After deducting all manufacturing, selling and general expenses (except those detailed below) including remuneration amounting in the aggregate to $97,417.62 paid as fees of solicitors and counsel and salaries of executive officers and directors' fees, and after providing for bad debts, but before charging depreciation of buildings and equipment		$1,332,396.35
ADD:		
Dividends from Partly Owned Subsidiary Companies and interest on Investments		52,031.27
		$1,384,427.62
DEDUCT:		
Provision for Depreciation	$ 95,160.46	
Provision for Income and Profits Taxes	622,000.00	
Allowances paid to Retired Employees	24,777.06	
Loss on Sale of Investments	625.00	742,562.52
NET PROFIT for the year		$ 641,865.10
Earned Surplus, balance at August 31, 1941		4,515,317.86
		$5,157,182.96
DEDUCT:		
Dividends of $8.75 per share paid during the year to Preferred Shareholders of The Sherwin-Williams Company of Canada, Limited	$ 302,750.00	
Dividends on Common Stock	90,000.00	392,750.00
EARNED SURPLUS, balance at August 31, 1942		$4,764,432.96

Post Summary Of Wartime Regulations

RETAIL PRICES OF BICYCLES. W.P.T.B. order A-463, Nov. 4, fixes maximum prices for bicycles sold in Canada. Adm. of Retail Trade, E. G. Burton.

* * *

BIRCH LUMBER. W.P.T.B. order A-466, Nov. 7, amends an earlier order, dealing with maximum prices for birch lumber. A slight reduction is made in some areas. Timber Adm., A. S. Nicholson.

* * *

WARTIME INDUSTRIAL TRANSIT PLAN. M. & S. order Transit 4, Nov. 7, provides for the setting up of a scheme under which industrial workers who drive fellow employees to and from work may obtain a gasoline allowance and other privileges. Transit Con., George S. Gray.

* * *

METAL CONTAINERS AND CLOSURES. W.P.T.B. order A-473, Nov. 10. This amends a recent order regulating the types and sizes of metal containers and closures for different items. Adm. of Metal Containers, L. F. Burrows.

* * *

MANUFACTURER OF WOMEN'S, MISSES AND CHILDREN'S WEAR. W.P.T.B. order A-474, Nov. 11, simplifies styles in which it is permissible to manufacture different kinds of women's, misses' and children's wear, listing "frills" which are now prohibited. Adm. of Women's, Misses' and Children's Wear, J. A. Klein.

* * *

POTATOES. W.P.T.B. order 205, Nov. 11, fixes the maximum prices for the different grades of potatoes as those which prevailed during the period from Nov. 1 to Nov. 10, 1942. W.P.T.B. chairman, Donald Gordon.

* * *

CONCEALED AND ENCLOSED CONVECTOR TYPE RADIATORS. W.P.T.B. order A-480, Nov. 16. No person shall manufacture any enclosed or concealed convector type radiators except for use on ships and railroad cars, or with permission in writing from the administrator. Up to Jan. 1, however, these radiators may be made of metals now in stock and unsuited for other products. Adm. of Heating and Plumbing, E. J. Laidlaw.

The Canadian Bank of Commerce

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, number twenty-five King Street West, Toronto, on Tuesday, the eighth day of December next.

The chair will be taken at eleven o'clock a.m., Eastern Daylight Saving time.

By order of the Board,

A. E. ARSCOTT,
Vice-President and General Manager.

Toronto, 9th October, 1942.

The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, the ninth day of December, 1942, at the hour of 2.30 o'clock in the afternoon.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 22nd October, 1942.

THE DE HAVILLAND AIRCRAFT OF CANADA LIMITED

TODAY'S MULTIPLIED ACCOUNTING TASKS DEMAND THE TIME-SAVING EFFICIENCY OF THE National System

NEVER before has the time-saving efficiency of the National Typewriting-Bookkeeping Machine been more important to business executives than under today's wartime conditions. For the National System is a full-time, all-purpose bookkeeping machine that need never have an idle moment in your business. It can be changed from one type of work to another, *in less than one minute.* It is adaptable to any bookkeeping task:—Accounts Receivable, General Ledger Work, Posting, Billing, Listing, Payroll Records and many other applications.

The letter here tells of important time-savings effected by the National System in the offices of The De Havilland Aircraft of Canada Limited. Your local National Representative will gladly give you more information. Phone him today.

The National Cash Register Company
OF CANADA LIMITED
Head Office and Factory: TORONTO
Sales Offices in All Principal Cities
Cash Registers • Typewriting - Bookkeeping Machines • Analysis Machines • Bank - Bookkeeping Machines • Check-Writing and Signing Machines • Postage Meter Machines.

The Editorial Page . .

We Don't Need a Depression

Not a great depression but a great expansion will take place in Canada after the war if we keep our heads. For the first time in our history we will find ourselves in a position for intensive and large-scale development of our nation, hence be able to maintain "full employment."

We will have a huge new industrial plant created by the war, and a giant flow of base metals, power and other supplies to keep it going. We will have new skills. We will have ready and waiting new air, rail and water arteries stretching into the north. These, if we use them properly, are the raw materials of great national expansion, not national stagnation and poverty.

The first necessity in attaining this is constructive thinking. We must regard postwar readjustment as an opportunity to do the things we have dreamed about but never before had the equipment to carry out. This time we will have that equipment. Speaking in New York the other day, Dr. F. Cyril James, Principal and Vice-Chancellor of McGill University and Chairman of Canada's Committee on Reconstruction stated:

> "Factories and skilled men will be available in Canada, after this war, to utilize the tremendous quantities of materials derived from our farms and factories, and I suggest strongly that the existing Canadian population will be too small to utilize to the full extent, all of the opportunities which can be exploited by wise policy on the part of the Canadian Government, and determination on the part of the Canadian people If Canadian leaders are wise enough, and courageous enough, to carry out policies of reconstruction that will make possible the full enjoyment of Canada's rich resources and advantages, we shall not again in the future hear of distressed provinces and permanently unemployed individuals."

That is the proper approach to our national problem of postwar readjustment. In the earlier stages of our war effort, many spokesmen deplored the wartime industrial expansion; feared it would be a millstone around our necks afterward. Dr. James, himself, indicated grave doubts as to whether our economic system could find adequate employment for our increased industrial capacity, and he even expressed fears of its collapse.

The McGill Principal now takes a very different view; a view full of hope for all Canadians and for the Canadian way of life.

It would be a tragic farce indeed if a desperate war were the only means to full employment of a nation's resources in manpower and materials; if the only hope for workers in the industrial front and soldiers in the fighting front were unemployment.

That need not be the case. The present system can do the job. Let us make sure that it does.

The Drive For Russian Relief

It is to be hoped that the current drive to provide funds for relief of the Russian people, sponsored by The Canadian Aid to Russia Fund, will find willing and ample support from the Canadian people.

But The Financial Post has had widespread support for its contention of a few weeks ago that, laudable as the cause may be, the government should not have sanctioned a separate campaign by a new organization when there is already existing a reputable and well-organized body like the Canadian Red Cross capable of doing the job and ready to do so.

The increased efficiency and the very substantial savings effected by grouping appeals for many causes in the one Red Cross appeal and in entrusting the distribution of funds to one highly experienced administrative body are evident.

Exchange Dangers Ahead

During the war so far, Canada has not added $1 to her debt to the United States. But our financial policy is now threatened with new strains and Canada is in danger of falling into, or being jockeyed into, a position vis à vis the United States which bodes ill for our national future and for continued good relations between us. The most courageous devotion to our pay-as-we-go policy is more necessary than ever before.

Canada has so far been able to maintain an adequate supply of U. S. dollars, hence avoid increasing our U. S. debt, by the following means:

Foreign Exchange Control.
Ban on non-essential U. S. travel.
Imports from U. S. cut to minimum.
Sales of gold, pulp and paper pushed.
Insatiable U. S. market for base metals created by war.

Then came the Hyde Park agreement whereby the United States undertook to buy additional war materials and munitions from us, to help us keep our exchange position balanced. Under Hyde Park, Canada is this year selling the United States $500 millions of munitions and supplies, an amount equal to Finance Minister Ilsley's estimate of our U. S. dollar deficiency for this year.

So far all has gone well. U. S. war material purchases, under the Hyde Park agreement, have kept our U. S. dollar exchange adequate; have obviated increasing our U. S. indebtedness.

But three factors are now in the picture which give cause for concern about the future and which call for resolute Canadian policy.

First, our exports of gold and of newsprint to the United States, our two largest normal sources of U. S. dollars, are decreasing, thereby increasing the load on the Hyde Park agreement. Travel, formerly a very important source of U. S. dollars, is now a very, very slim source of U. S. dollars.

Second, there is increasing pressure by some U. S. interests to have Canada increase or commence imports of U. S. products which are in abundant supply. As cited in The Financial Post, some Americans are anxious that we lower the tariff barrier against peanuts, and buy peanuts from the United States rather than from sterling areas.

Third, there is the very real danger that when the time comes for renewal of contracts made under the Hyde Park agreement, U. S. war production will have reached such a high rate of production that it will be argued that continued war material purchases from Canada are unnecessary and should be discontinued.

Those three factors might create a situation of the utmost gravity for Canada. Our war effort might be imperilled; a weak financial policy might start piling up new indebtedness to the United States. The inevitable result would be postwar hardship for Canada and grave friction between these two countries which cannot afford friction between them.

Both countries have a mutual interest in preventing either result. In imposing regulations for restricting gold or pulp and paper exports, or in acceding to U. S. urgings to do so, Canada should exercise the utmost caution, for the less we rely upon the Hyde Park the better for all of us.

The Financial Post's Platform For War

1. *Effective mobilization of all resources, materials, productive capacity and manpower, without reservation, for an all-out war effort.*
2. *A national cabinet, representative of all loyal groups, and consisting of Canada's ablest brains.*
3. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
4. *A non-political industrial executive to organize and direct procurement of war supply.*
5. *Pay-as-we-go policy, to the very limit consistent with an all-out war effort, to avert inflation.*
6. *Elimination of wasteful spending by public bodies or private individuals.*
7. *A national programme for postwar Canada, providing for fullest possible employment and improving social standards, through free competitive enterprise.*

Boasting About Waste

All over the continent, patriotic publishers are exercising the greatest possible economies in the use of metals for engravings, paper, manpower and other materials. The distribution of information is an essential wartime service but the press does not expect nor ask the right to waste materials. Decidedly not in line are the publishers of the American magazine, Time. By their own admission, metal, paper and manpower are of little account to them. In a published letter to subscribers last week, Time boasts of discarding three already printed covers in one week and having 52 more covers on hand "all electrotyped 8 up" in case of emergency. It adds that half of these "will have to be melted down, unused, of course."

White paper scrapped in that discard of covers would probably amount to 30 tons. In addition hundreds of pounds of metal, to say nothing of manpower, acids, electric power and other components would be wasted in the melting down of unused engravings. All these are vital materials in wartime. The publishers of Time, always critical of the efforts of others, arrogantly assume that because the news may move more rapidly than they can print it, they are at liberty to indulge in wholesale waste, at a time when any waste is an outrage.

Before many months are over, it is proposed that some continent-wide curtailment of paper will be ordered. There is, of course, no shortage of paper in this country, but Canadian publishers and readers will be asked to sacrifice in order that American consumers may get adequate supplies. This they will do cheerfully, but they will expect and they have a right to expect, that there will be no more of the shocking waste that Time so boastfully admits.

There Must Be No Let-up

Victories in North Africa are a source of deep satisfaction to the productive enterprise of the United Nations, but just as much they represent a challenge to further floods of productivity. Important as these gains have been, they are still only the "end of the beginning." While our feet are now firmly on the road to victory that road still promises to be hard, grim and long.

To press home the advantage that has been gained there must be an increased effort at home. There have been losses in the North African campaign; how extensive we do not yet know. Those losses must be more than made up. On the production line there is no time out for a self-satisfied pause; there is time only for more work. The British church bells that have broken their long silence did not sound out so much in triumph as they did in sounding a tocsin calling for even greater efforts. The days of blood, toil, tears and sweat have not run out.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

Must Use International Machinery We Have at Hand Now

In an address before the Canadian Society of New York, the other day, Dr. F. Cyril James devoted a good deal of attention to a subject, which recently many speakers seem to have avoided, the machinery we will have to use for handling international relations after the war. Bluntly Dr. James discards the League of Nations and the imaginative schemes of Clarence Streit and Lionel Curtis, and asserts that we will have to work with what we have on hand:

The fact that Dr. James is chairman of the official Canadian Committee on Reconstruction, adds weight to any views he expresses on postwar problems. He is also, of course, principal and vice-chancellor of McGill University, Montreal.

The lessons of the past 20 years have shown us clearly the need for a more effective world organization, and a greater limitation of national sovereignty, than existed from 1918 to 1939, when wiser and more co-operative international action might well have prevented the bitter struggle in which we are now engaged.

If the world is to attain to enduring peace and reasonable prosperity, the people of each country must continuously look beyond the narrow horizon of their own borders and play their part in solving the problems of the whole world.

I doubt very much if the splendid imaginative scheme of Mr. Clarence Streit has any practical possibility of realization. Nor do I feel that the more restricted scheme of Mr. Lionel Curtis, which envisages the political union of Great Britain and the United States, will be practical politics during the years that lie ahead of us. Indeed, I am so much of a sceptic that I disagree often with those of my friends who look toward the revival of the League of Nations as a pattern of postwar organization.

None of these things meets the needs of the situation, because in the period after this war there will be no time to sit down and plan new international machinery. If we are going to organize the world in any realistic sense, we must do it with the machinery that is being developed during the war, as a part of the tremendous co-operative effort among the United Nations to bring this struggle to a victorious conclusion.

If one looks at the problem in that light, it is immediately apparent that there are two existing international organizations of significance and strength. The first is the British Commonwealth of Nations, which has now been tempered in the fire of two great wars, and which stands forth more magnificent in its strength than at any previous time. In the second place, the Pan American Union, which has during the past three years gradually become a more effective organization as a result of the wise and generous policies of the United States.

The British Commonwealth of Nations and the Pan American Union together with the elaborate machinery that has been jointly developed by Great Britain and the United States for the more effective prosecution of the war, comprises the whole of the machinery that will be available for the constructive organization of world affairs after victory has been attained. Canada is vitally interested in all three organizations. She participates in the work of the Anglo-American organization for war purposes, and she has long been interested in both of the older international groups.

If Canada and the United States are to play their rightful part in the work that lies ahead of us, their co-operation must involve common policies, and a joint determination to attain goals that are desired by both. Questions of constitutional law and economic hegemony are unimportant, if the people of both nations dream the same dreams and see the same visions, because law and finance are the servants of human progress rather than its regulators.

Such a co-operation between Canada and the United States must, moreover, be conceived on generous lines that will aid the whole world—and this fact is already apparent to millions of Canadians. We must strive to attain that co-operation of a richer and more united Canada with a powerful and prosperous United States which will make possible, for all people, the enjoyment of the Four Freedoms. From sea to sea, in four directions, this continent is now working with feverish energy to win the present war: our boundaries must not be narrower when victory has been won.

Other People's Views . . . .

The Canadian Editorial of the Week

The National Issue

Winnipeg Tribune

Arthur R. Ford, editor of the London Free Press, puts his finger on the exposed nerve of the manpower issue:

> "As soon as the government tackles this problem in an all-out way immediately it is up against the question of conscription for service overseas. And Right Honorable Mackenzie King is not prepared to face the question of conscription except as a last resort."

This is the crushing answer to those who have tried to pretend that the issue of conscription for overseas service was not central in the Canadian manpower problem.

To get the measure of the government's failure in this respect we should properly contrast it with the same government's more notable successes. Take the financial and economic side of our war effort and the courage of Messrs. Ilsley and Gordon with their ruthless taxation and daring wage-price control. Contrast that with the weakness on manpower. Why courage, even to the point of rashness at times, in one direction, and lamblike wobbling in another? The answer, unfortunately for Canada, is politics and sectional politics at that.

Take another department of the war effort—namely munitions and supply. The Honorable C. D. Howe, with whom we have had many differences, has in many departments delivered the goods with remarkable success. Canada's industrial effort, like our financial and economic effort, is a thing to be proud of in spite of some faults. But our industrial effort cannot advance from strength to strength unless the manpower problem is tackled.

The device of burying the issue of military conscription for overseas under that mountain (selective service) of other conscriptions must fail because events themselves drive on remorselessly.

As Others See Us . . .

Mr. Hepburn's Future

Edmonton Journal

The Financial Post believes that he still has political value. But it cannot take seriously the gossip that he plans to seek the blessing of the Winnipeg convention.

"That banner and atmosphere," it says, "would repel him and the Conservatives don't think their plight is so dire as to justify welcoming him."

At any rate Mr. Hepburn promises to remain a question mark in Canadian affairs for some time to come.

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Ruml Income Tax Plan

British Columbian

Beardsley Ruml, chairman of the New York federal reserve bank, sponsors a plan of taxation which has come to be known as the Ruml plan. In outline, the plan is simple. It calls for income taxes to be paid out of current revenue instead of at some date considerably later than the receipt of the income on which it is levied. In other words, the taxes would be collected in installments during the year in which the income is earned. Under the present system, the taxpayer is always in debt to the government. Formerly he was usually a year behind. Now, he is at least eight months behind, since collection of the income tax at source on 1942 income did not begin until September.

The Financial Post reports that the plan received strong support from officials before the present source-deduction system was incorporated in the budget. It also finds support among businessmen and economists. The plan has aroused intense interest and its rejection by the finance minister may prove to be not final.

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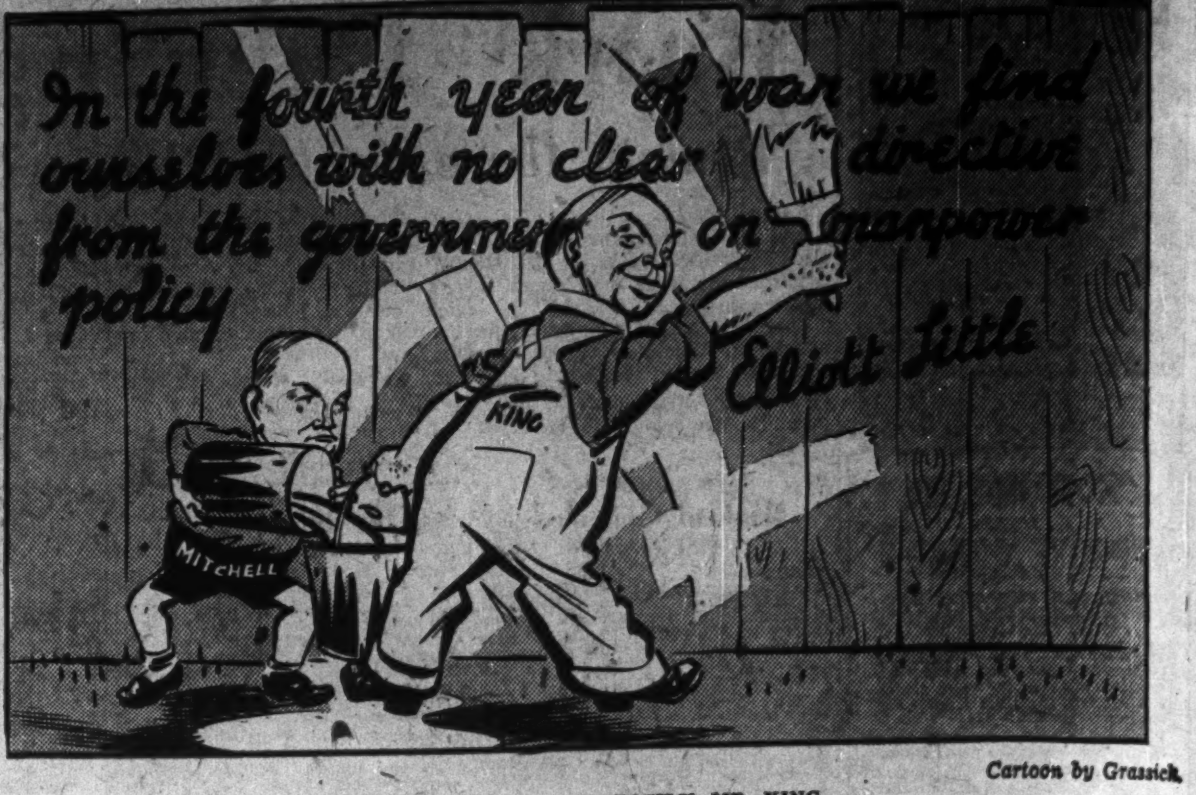
Stop Me If . . .

"Jones seems to be a successful man. I suppose he made hay while the sun shone."

"Not only that but he made it from the grass that other people let grow under their feet."


In the fourth year of war we find ourselves with no clear directive from the government on manpower policy
Elliott Little
KING
MITCHELL

Cartoon by Grassick.

THAT WON'T COVER UP EASILY, MR. KING.

Post-Scripts . . . .

London Home for the Troops

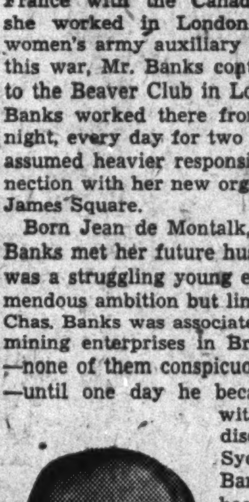
One of the hardest working Canadian women in Britain during these stirring days is Mrs. Chas. A. Banks, French born wife of the British Columbia mining engineer who is United Kingdom representative of Canada's Department of Munitions and Supply. Recently through the generosity of Lady Iveagh, Mrs. Banks has secured a magnificent house in spacious St. James Sq., London, and with a special committee is fitting this up as a club for troops on leave. It will be known as the United Nations Club and will be open to men from any of the countries fighting on the side of democracy.

MRS. BANKS

The building is being equipped with recreation rooms, lounges, information bureau, barber shop, baths, snack bar, and 50 beds—the latter particularly in demand just now owing to an acute lack of accommodation in London during the weekends. Mrs. Banks is honorary-secretary of the organization behind the club.

War work is an old story with Mrs. Banks and she loves it. In the first Great War when her husband was in France with the Canadian Engineers, she worked in London with various women's army auxiliary corps. Early in this war, Mr. Banks contributed £10,000 to the Beaver Club in London and Mrs. Banks worked there from morning till night, every day for two years until she assumed heavier responsibilities in connection with her new organization in St. James Square.

Born Jean de Montalk, in Paris, Mrs. Banks met her future husband while he was a struggling young engineer of tremendous ambition but limited prospects. Chas. Banks was associated with several mining enterprises in British Columbia—none of them conspicuously successful—until one day he became associated with William Addison Freeman of Sydney, Australia. Banks, who had been born in New Zealand and hence was not unfamiliar with the South Pacific, and Freeman were fascinated by the story brought down from New Guinea of a fabulous gold mine high on a plateau. Many attempts had been made to develop the mine, but the transport difficulties caused by the impenetrable fringe of coastal jungle, which incidentally the Japs are also finding impenetrable—proved insurmountable. Banks and Freeman conceived the idea of using big transport planes, flying in men and machinery, and bringing out the gold, thus setting an example to the American and Australian troops fighting in the same area today. The air transport idea, proved successful and the great Bulolo Gold Mines developed. This was the predecessor of many other important gold dredging projects in Australia, South America and Asia in which Freeman and Banks were associated.



MR. BANKS
—Internat'l. Press Ltd.

Mrs. Banks accompanied her husband to the Bulolo Mines on many occasions. She wrote many articles on the head hunters of New Guinea and often photographed them. Long ago she became a fellow of the Royal Geographical Society and a firm believer in the idea that women are as competent travellers as men, that they are able to meet the hardships of the trail and jungle. Her husband has many photographs showing her in various adventurous roles—fording treacherous streams on the backs of husky natives, climbing mountains, piloting sailing craft.

The Banks are wanderers, and in the days of peace they divided their home life between London, Vancouver, San Francisco and Australia. This was varied with an occasional jaunt to such out-of-the-way places as Saudi Arabia and Asnazu in Colombia where Mr. Banks has gold mine interests.

In the Old Country they lived at Claridges in London but they also have a country place on the Thames. In both places they have proved most charming hosts to many visiting Canadians who have found official doors open and red tape cut by reason of Mr. Banks' prestige in British supply circles. The Banks have not been able to escape from the war. The grounds about their country home are pocked with bomb holes and one day when Mr. Banks came down to his London office he found the buildings on either side completely blasted away and, to put it mildly, his own office in a state of considerable confusion.

Since the war Mr. Banks has divorced himself almost completely from his routine as an officer and director of half a dozen important gold corporations. This year for the first time he missed the annual meeting of the various boards at the head office in Vancouver. He and Mrs. Banks were too busy in London for the long voyage home.

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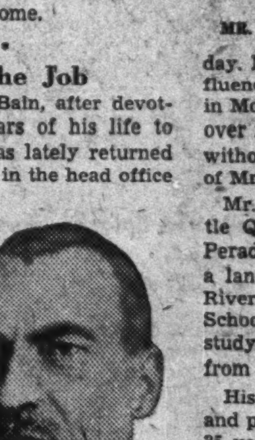
Back on the Job

Alex McDougall McBain, after devoting the last three years of his life to service of the state, has lately returned to his normal vocation in the head office of the Bank of Nova Scotia, Toronto. He is, as his name betokens, of Highland Scottish ancestry. And it was also appropriate that the birthplace of a man with such a name should be at Williamstown in Glengarry County, Ontario, which at the time of his birth, in 1890, was peopled almost exclusively by Highland Scots.



MR. McBAIN

In his boyhood he received a sound education at the public and high school at Williamstown and in 1908, having decided to become a banker, he obtained employment with the old Metropolitan Bank. With it he served an educational apprenticeship for five years and, when it was absorbed by the Bank of Nova Scotia in 1914, he was transferred to the latter's payroll.

Soon afterward his banking career was interrupted by the call of duty and he enlisted in the Royal Flying Corps, predecessor to the present R.A.F., in which he served with great credit as a pilot during the last war. Resuming his chosen profession promptly at the end of the war, he soon won for his abilities the appreciation of his superiors with the result that in 1920 they sent him to Cuba to be joint manager of their important branch in Havana. There he acquitted himself with such credit that in 1928 he was summoned back to Toronto to take charge of the Foreign Exchange Department of the Bank.

In Cuba he had familiarized himself with some of the intricacies of foreign exchange and in his new post he rapidly became a recognized expert. It was natural, therefore, when the Foreign Exchange Control Board was established at Ottawa under the aegis of the Bank of Canada soon after the outbreak of the war, that his old friend and banking colleague, Donald Gordon, then Deputy-Governor of the bank, promptly conscripted McBain's services in the role of Adviser to the Board. After helping to organize the administrative system of the Board, he was assigned the very important task of disseminating both to the financial worlds of Canada and the United States and to the general public of both countries accurate information about the operation of the Board and its purposes.

Not only had he to become an expert in public relations but he had also to become an orator, for his educational work entailed the delivery of scores of addresses to banking organizations and other bodies at important centres on both sides of the international boundary.

Alexander McBain is a man of moderate height and sturdy physique and has the black hair and swarthy skin, which are the heritage of so many Highland Scots. At the age of 52 he is in the prime of his powers and should rise higher in the banking world. His chief interest is his profession, but he is an assiduous reader and is fond of outdoor life. He is rated as good an expert at bridge as foreign exchange. In private life he is a very companionable man who has a host of friends all over Canada. He is married to Margaret, a daughter of the late Alexander Laird, once general manager of the Canadian Bank of Commerce. They have a son and a daughter.

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Molder of Opinion

Appointment of 63-year-old Pamphile Real DuTremblay to the Senate brings into the national arena a man who has become almost a legendary, but nevertheless very active figure, in Quebec life.

MR. DUTREMBLAY

Lawyer by profession, Mr. DuTremblay heads the potent Montreal newspaper—La Presse. La Presse is not only a very ably edited newspaper, but its circulation makes it one of the largest papers in Canada and, by all odds, the largest French newspaper in the world today. La Presse has a very important influence in the molding of public opinion in Montreal and Quebec province. Moreover it is Liberal in politics; a factor not without significance in the appointment of Mr. DuTremblay to the Red Chamber.

Mr. DuTremblay comes from the little Quebec village of Ste. Anne de la Perade. His father was an engineer and a land surveyor. After attending Three Rivers College and Quebec Normal School, Mr. DuTremblay took up the study of law. In due time he graduated from Laval and then went on to McGill.

His interest in the publishing business, and particularly La Presse, dates back to 35 years ago when he married Angelina Berthiaume, daughter of the Hon. T. Berthiaume, founder of the paper. In 1932 he was elected president of La Compagnie de Publication de la Presse Limitée.

The head of a great newspaper, Mr. DuTremblay is also an experienced parliamentarian. He sat for Laurier-Outremont in 1917-1921. before being appointed to the Quebec Provincial Legislative Council in 1924. He is a member of the Legion d'Honneur of France and shares with his newspaper, La Presse, the gold medal awarded by L'Acadamie Francais in 1931. He also holds Medal Lique Maritime Coloniale Francais awarded in 1932 and has been honored with the Silver Jubilee Medal of 1935 and the Coronation Medal of 1937. Senator DuTremblay has, too, an association which has acquired special interest by reason of the raid upon Dieppe for in 1930 the city of Dieppe conferred upon him the title of Citoyen.

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Sayings of the Week

The greatest water power known to man is a woman's tears."—*Earl Riney, Church Management.*

• • •

"The R.A.F. has got to do to Germany in this war what the Navy did in the last. Bombing is a blockade."—*E. Colston Shepherd, editor the Aeroplane.*

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"Let justice be our aim—justice and firmness tempered with wisdom. Revenge is barren, excepting that it breeds revenge." — *Queen Wilhelmina of the Netherlands in a New York address dealing with post-war settlement.*

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"In all the modern history of the western world, I know of no industrial programme comparable to that which Canada has achieved."—*Dr. F. Cyril James, Principal Vice-Chancellor, McGill University, speaking in New York on Canada's war effort.*

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Drug Store X-Ray Shows Sales Higher

W.P.T.B. Survey Highlights Wage Problem of Retailers

By ROBERT C. STARK

A full-length portrait of the retail drug business has been completed by the management service division of the Wartime Prices and Trade Board, which studied 44 independent stores, including two small chains, in cities and towns in Ontario.

The stores were divided into three groups: Class A, with annual sales of $65,000 and over; Class B, $40,000 to $65,000, and Class C, $25,000 and under.

Salaries Run High

It was found that salaries represent the biggest item of expense in the drug business. In 1939 weekly wages ranged from $25 to $40; this year the range is from $40 to $55. Such salaries are due to the expert staff needed, pharmaceutical laws making it necessary to have a qualified dispensing druggist in attendance.

In many instances the major portion of this druggist's time is devoted to the sale of chocolate bars, cigarettes, and such goods, so that in relation to competitive stores which are not drugstores the labor cost is approximately twice as high.

Advertising expenditures are not generally out of line with turnover. Advertising is mostly price appeal, with little emphasis on name registration and continuity.

Cost of Advertising

	High	Low
	% of sales	
Class A	4.3	0.1
Class B	2.3	0.2
Class C	3.1	2.0

In rent and taxes, no marked difference has been found in the larger centres and small towns.

Rent and Taxes

	High	Low
	% of sales	
Class A	7.4	2.1
Class B	5.5	2.1
Class C	†11.8	1.9

†This high accounted for by very low volume business.

Wartime delivery restrictions are of value to the druggist and have already brought savings, although not affecting his turnover. However, the majority of stores still have to maintain a delivery boy and are unable to make full use of his time. Telephone traffic has been reduced as much as 75%.

Cost of Delivery

	High	Low
	% of sales	
Toronto	4.4	0.2
Ontario	2.2	0.2

Donation Problem

A problem to drugstores is contributions of cash and merchandise to bazaars and other charitable functions according to the survey. Requests are invariably made by good customers, and while there is no actual value to be received, the druggist is faced with the loss of patronage if he does not respond.

The druggist is well insured, and protects himself against almost every possible contingency. Insurance costs him an average of 0.6% of sales.

Light and heat cost an average of 0.9% of sales, with most stores taking steps to cut down on this item.

Interest Takes 4%

About 35% of the stores reported interest as an expense, costing an average of 4% of sales. Excess inventory is generally the reason for interest charges.

About 40% of the stores do not take depreciation into account. The balance charge an average of 1% of sales.

Most stores are doing their best to save on wrapping. This item represents a cost of 0.375% of sales.

Buying Systems

In the main, the druggist confines an average of slightly more than 50% of his purchases to his chief wholesale supplier, and the balance is spread among numerous direct accounts.

Definite figures on quantity discounts are lacking. The druggists state that they only take advantage of discounts for quantity deals if the merchandise can be turned over within two months. Many firms offer discounts through travellers only. As the traveller calls only two to three times a year this results in abnormal buying.

Questioned on what length of time they ordinarily buy ahead, 88% reported an average of 2½ months, 6% said six months and 6% reported one week.

Special Deals Upset

"Special deals" upset buying plans, according to 63% of the stores.

The opportunity for such deals is only for a limited period, but the length of time such merchandise shall be offered to the consumer is not stated. For this reason the druggist does not base his buying on what would be considered a normal basis, but has to anticipate the length of time such merchandise will be offered for sale by competitive stores.

The majority of druggists feel that this type of merchandise is not practical, as it does not represent new business, but is just anticipating business which would have been received in the ordinary course.

Inventories

Inventory examination showed the average wholesale value of stock on hand is as follows:

Inventory Value

	Toronto	Ontario
	$	$
Class A	12,650	13,000
Class B	8,750	10,700
Class C	4,400	5,000

Many cases reported excess inventory. One store with 1941 sales of $232,000 had a stock on hand of over $100,000. One Class C store with a 1941 turnover of $28,000 had a stock of $9,000.

Stock Turnover

The question of "How many times a year does your stock turn over?" brought this answer:

	Toronto	Ontario
	times of turnover	
Class A	5.6	4.5
Class B	5.4	3.75
Class C	5.2	3.5

A three-year record of dollar turnover was also obtained:

	1939	1940	1941
		(inc. over prev. yr.)	
	$	%	%
Toronto			
Class A	72,500	5.17	10.69
Class B	43,000	6.28	15.31
Class C	23,000	13.70	13.46
Ontario			
Class A	48,650	10.17	13.80
Class B	30,500	11.47	25.73
Class C	18,000	10.55	14.70

Only 62% of the stores could answer how much their stock could be reduced without hurting volume, and they report an average stock reduction possible of $1,100 per store.

Profit Showings

A tabulation of gross profits shows comparatively little variation:

Gross Profit

	High	Low
	% of sales	
Class A	38	26
Class B	34	24
Class C	36	20

Average is about 28%.

On the other hand there is a wide variation in net profit showings:

Net Profit

	High	Low	Average
		% of sales	
Toronto			
Class A	10.6	0.75	6.5
Class B	4.0	3.0	3.0
Class C	5.0	1.5	2.0
Ontario			
Class A	4.0	1.0 loss	3.5
Class B	10.0	2.0	4.0
Class C	9.0	loss	1.0

W. P. T. B. notes that this survey reveals the fact that location and competition are not profit factors. Good management is the answer.

Reporting on the three best spots in the store for promoting immediate sales, 69% of the druggists said the serving counter near the cash register, 47% said the windows and 31% the centre aisle floor display. On the items featured chiefly at these sales points 31% said seasonable items and impulse goods, 10% said slow movers, and 7% said good profit lines only.

Help Morale

Most druggists said they would like to become better qualified to give advice on ordinary foot ailments and on skin treatment. They pointed out that this would aid the war effort, as people have to walk more these days and war workers are on their feet eight to ten hours a day. Their belief is that a good percentage of time lost by war workers is due to foot ailments. On skin treatment they could help by suggesting care to prevent development of skin rashes liable to arise from atmospheric conditions in some war plants where there is metallic dust floating in the air.

Soda Fountain Question

The W. P. T. B. was unable to secure definite figures on soda fountains but gives its opinion that the operation of such departments in drugstores should be studied very carefully, as they may be a loss department in many stores.

Drugstores estimated that a 15% drop in sales would see them running in the red.

Long Store Hours

Store hours have been receiving attention lately. In the retail drug trade a tremendous variation exists in these. Most stores open between 8 and 9 a.m. Closing hours vary in a few isolated cases from as early as 7 p.m. but, in the main, closing hours range from 10 p.m. to 1 a.m. and even later, with one store open 24 hours of the day.

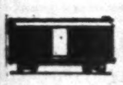
At a recent poll where the druggists of Toronto voted on this question it was revealed that 10% of them wished to close at 10 p.m. W. P. T. B. reports that in a number of centres there have been attempts to get stores to close at a stated hour, but voluntary arrangements are not satisfactory due to one or two stores refusing to co-operate. W. P. T. B. observation is that the volume of business done before 11.30 a.m. is very small.

Most stores report Sunday hours to be the same as on week days. Many druggists, however, and particularly those in eastern Ontario, report having made a very satisfactory arrangement between themselves some years ago, to rotate the Sundays each store is to remain open. For example in Belleville there are eight drugstores. By employing the rotating system each store is open one Sunday in every eight weeks.

The Week in Business

Feature of new business figures recently has been revision of indexes prepared by the Dominion Bureau of Statistics to show overall activity. The changes recognize that previous indexes failed to give enough weight to changes brought by the war, a failure which, it is claimed, the new index overcomes. The result is that physical volume of business is made to show a much greater rise since the start of the war although evidence of flattening out of the rise as full employment approaches is still evident.

National income, as computed by the Dominion Bureau of Statistics, reappears in the releases after a period of revision. September dollar figures for national income are below July but above August and up $46 millions from the same month a year ago. The index shows a gain to 190.1 since 1939, from 100, coinciding closely with the war period.



Railway freight loadings are making a much better showing in tons carried than in cars loaded, reflecting growing tendency to load cars to capacity and higher average capacity per car. Index of tons carried for October is up about 10 points from a year ago while index of cars loaded is up four points.

Cigarette consumption is hitting all-time high records this year. To October there is a gain of 15.8%.

Life insurance sales for October this year were far ahead of the same month last year at $57.8 millions compared with $41.7 millions. For the first ten months this year a gain of over $100 millions, or 29.8% is reported. Results of life insurance sales to date suggest that an all-time record volume is probable for 1942.

	Oct.	Sept.	Aug.	July	Year Ago
Physical vol. of businses, D.B.S.°	....	198.4	198.5	203.7	177.6
•National Income, D.B.S.•	....	646.2	634.2	658.2	600.3
•Nat. Income Index (1935-39=100)	....	190.1	186.5	193.6	176.6
Dom. war expend. (million $)	175.9	207.3	173.4	190.4	110.8
Dom. total revenue (do.)	203.9	162.4	164.2	121.8	104.8
Dom. total expend. (do.)	357.4	318.9	301.3	350.8	165.4
Retail sales index no.	....	152.0	162.9	150.3	136.4
Dept. store sales index no.	....	152.4	154.3	145.4	136.6
Wholesale sales index no.	....	177.7	157.4	154.3	171.2
Country store (% change pr. yr.)	....	+12.6	+10.0	+10.6	+11.9
Divd. payment index♦	123.3	123.5	123.5	122.6	118.5
Bank deposits (1926=100)	....	170.1	163.0	160.3	157.6
Cash and cheque pay. index	....	139.7	138.6	146.7	127.2
Bank debits (1935-39=100)	....	134.5	136.0	133.0	126.3
Money supply (c)	....	3,927	3,772	3,686	3,499
NEWSPRINT % OF CAPACITY—					
Production ratio	70.6	72.4	68.4	65.2	84.1
Shipment ratio	76.9	82.1	69.0	65.8	80.3
RAILWAY FREIGHT LOADINGS—					
*Tons	134.5	132.3	163.0	177.0	124.1
*Cars	124.6	117.4	129.6	148.1	120.6
COST OF LIVING—					
D.B.S. index	117.8	117.4	117.7	117.9	115.5
EMPLOYMENT INDEX Nos. D.B.S.—					
All industries	....	179.3	177.8	175.7	162.7
Manufacturing	....	215.6	212.4	209.5	181.4
Payroll (June 1/41=100) (b)	....	135.4	131.8	129.7	109.8
Payroll index (a) (1937=100)	....	....	201	204	173

	1942	1941	Jan. 1 to date 1942	Jan. 1 to date 1941	% Change
RAILWAYS—					
*Carloadings (week Nov. 14)	68,952	67,940	2,986,168	2,816,988	+6.0
*C.P.R. gross (week Nov. 14) $	5,051,000	4,858,000	220,889,000	189,551,000	+16.5
*C.N.R. gross rev. (Oct.) $	36,002,000	28,760,510	306,829,000	249,072,521	+23.1
*C.N.R. net rev. (Oct.) $	8,903,388	6,038,729	71,664,362	54,628,055	+31.1
C.P.R. gross rev. (Sept.) $	22,113,749	19,268,143	187,126,616	156,457,494	+19.6
C.P.R. net rev. (Sept.) $	3,569,177	3,466,552	32,005,741	29,727,671	+7.6
IRON AND STEEL—(September)—					
Pig iron production (tons)	155,900	125,168	1,464,631	1,058,520	+38.3
Steel production (tons)	244,922	224,626	2,309,588	1,958,940	+17.8
CONSTRUCTION—♦					
Contracts awarded (Oct.) $	21,412,800	29,082,800	249,899,700	351,991,900	—29.0
Building permits (Sept.) $	10,540,657	12,579,488	80,683,920	102,043,724	—20.9
Cement prod., *bbls. (Aug.)	1,232,380	977,580	5,949,489	5,272,599	+12.8
AGRICULTURE—					
Flour prod., bbls. (Sept.)	1,737,472	1,647,910	14,873,098	15,633,532	—5.1
Cattle sales▲ (Oct.)	118,489	146,993	913,199	992,437	—7.9
Hog sales▲ (Oct.)	493,173	576,284	4,893,569	4,733,364	+3.3
SEA FISHERIES—‡					
Catch, cwts. (Sept.)	1,442,100	1,343,500	8,395,100	8,501,200	—1.2
Landed value (Sept.) $	6,557,900	3,156,000	25,834,100	20,762,500	+24.4
NEWSPRINT—					
Production, tons (Oct.)	271,555	318,787	2,681,764	2,824,734	—5.0
Exports, tons (Oct.)	277,925	285,893	2,541,104	2,652,623	—4.2
MINING AND OILS—					
Coal prod., tons (Sept.)	1,463,187	1,599,014	13,860,225	12,679,416	+9.4
Gold rec., fine oz. (Sept.)	382,880	397,662	3,547,871	3,820,603	—7.2
Petroleum prod., brl. (Aug.)	870,108	870,881	6,979,180	6,620,695	+5.4
ELECTRIC POWER OUTPUT—(September)—					
Total monthly, 1,000 kw.h.'s	2,946,611	2,866,647	27,514,325	23,900,261	+15.1
OTHER INDUSTRIAL FACTORS—					
Shoes. prod., pr. (Sept.)	2,807,754	3,027,252	24,672,220	23,833,552	+3.5
*Cotton consump., lb. (Oct.)	16,542,759	18,341,242	163,829,467	165,591,120	—1.0
*Cigarette cons., No.† (Oct.)	1,010,451	844,292	8,232,279	7,107,784	+15.8
FINANCE—					
Bank debits† (Sept.) $	3,516,107	3,300,731	32,291,692	28,502,328	+13.3
Bond sales† (Oct.) $	270,453	341,700	3,109,132	2,172,786	+43.1
*Life insurance sales (Oct.) $	57,795,000	41,740,000	437,204,000	336,759,000	+29.8

*D.B.S. All Canada figure covering 90% of the Canadian total.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants. †000 omitted. •Millions of dollars.
♦Supplied by Nesbitt, Thomson & Co. °1935-39=100. (c) 000,000's omitted.
(a) Compiled by Canadian Bank of Commerce. (b) All industries.

Investment Notes

Imperial Tobacco Co. of Canada's gross income this year is running well ahead of 1941, judging by the number of cigarettes released for consumption. To the end of September 7,222 million cigarettes were released — an all-time record for the period and 15.3% above last year. With Imperial controlling the major share of the Canadian market, it is to be presumed that its sales have increased in like ratio.

* * *

Reliance Grain Co. has declared an extra dividend of $1.62½ a share on arrears on its 6½% preferred stock, payable, along with the regular quarterly dividend of the same amount, on Dec. 15, 1942, to shareholders of record Nov. 30. After giving effect to this payment, arrears will amount to $6.50 a share.

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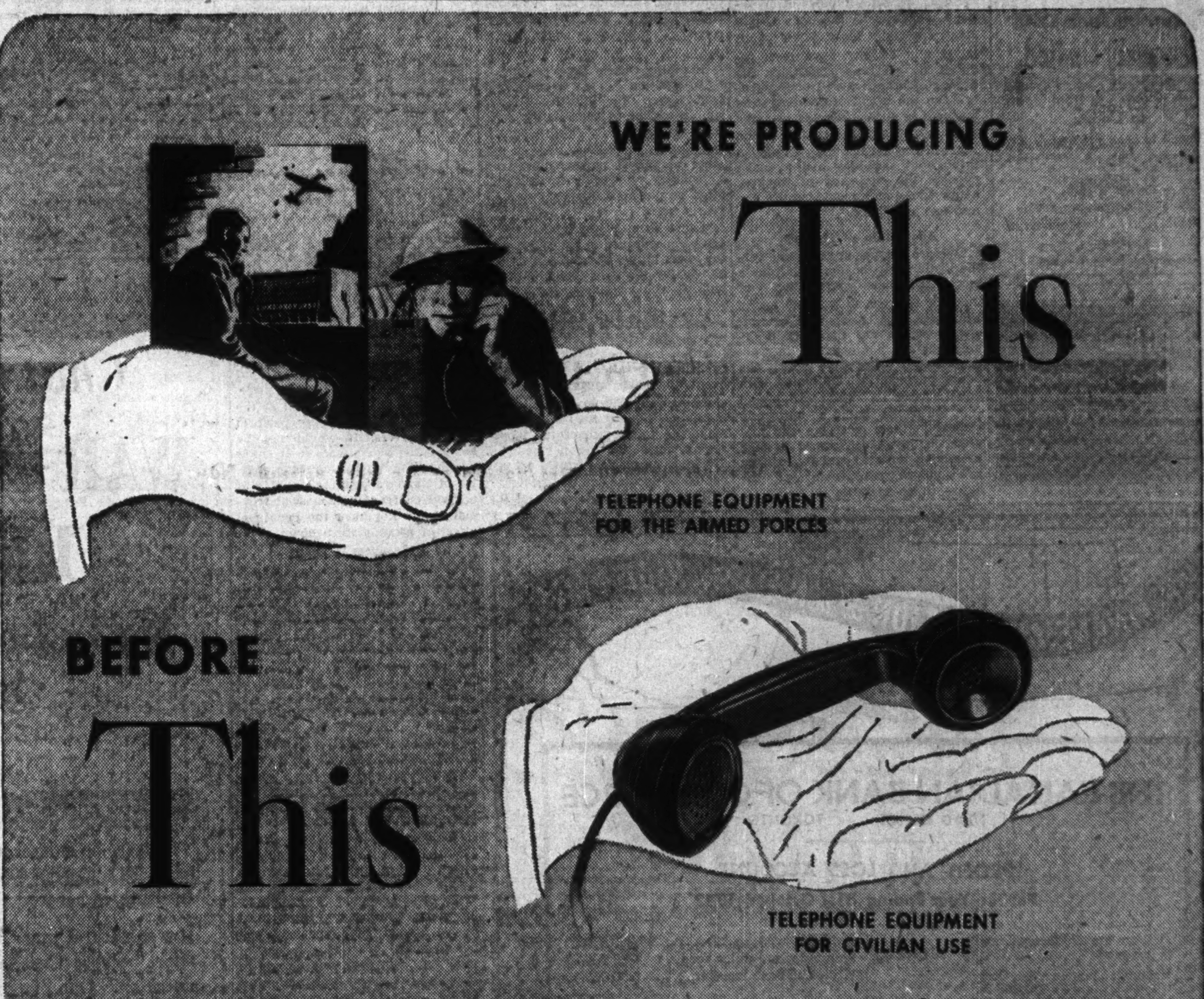
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WORKING FOR VICTORY AND SAVING FOR VICTORY!
Pictured on the left is Harry Hartford, a skilled tool maker, who has been with us for forty-five years. He's one of the thousands of us Working for Victory through all out War Effort and—Saving for Victory through continuous and regular purchases of War Savings Certificates.

Northern Electric
COMPANY LIMITED

Of One Mind

The success of Canada's Third Victory Loan proves that Canadians are of one mind in their resolve to win through to Victory. But the need for economizing and saving to buy more Victory Bonds is still imperative.

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CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

Kennet Findings on Finance

The Kennet report on manpower in British financial institutions is being studied in Canada with the view to ascertaining whether its recommendations may prove helpful in solving the manpower problem faced by banks and insurance companies in the Dominion. The Financial Post here presents a resume of the findings of the Kennet committee on insurance and banking. In reading the recommendations it should be remembered that Canadian banks have already simplified practices and closed many branches, that Canadian insurance firms are sharply curtailing non-essential services and branch office work.

The Report on Banking

Under the heading of banking and allied businesses the report states in part:

"Banking is not an industry in which concentration of production in the normal sense is possible in as much as there exists no effective means of rationing the services it provides and it is not desirable to impede the mobilization of credit for industry.

"We are satisfied that no amalgamation of large separate units . . . would, even if it were practicable, result in any saving of staff soon enough to be of practical assistance to the war effort. It would moreover involve a reversal of the opinion hitherto accepted that further such amalgamations should be discouraged for reasons of public policy. Further economy in labor must, therefore, depend primarily upon the four remaining possibilities.

"In the first place we recommend that, the closing of branches should be carried further. . . . We recognize that branch closing does not in all cases bring about a notable reduction in labor. The same number of cheques have still to be cleared, the same number of operations performed. But in certain areas, especially those whose population and activity have been reduced by wartime conditions the closing of branches will undoubtedly have the effect of concentrating business in such a way as to make full use of the marginal time of the staffs at present not fully employed throughout each day and to make possible the extension of working hours where this would reduce the numbers employed.

Adaptation of Methods

"We are persuaded that some further gain is to be derived from a more complete adaptation of methods of work to wartime needs. Elimination of checks and counter checks which are normally desirable but are not essential in wartime is a fruitful field which the banks have not all cultivated with equal success. . . . we are of opinion . . . the banks should be uniformly radical in their measures and that risks one bank can afford to take should be initiated and undertaken as standard practice by all the banks in co-operation.

"Chief among the potential sources of economy . . . we recommended:

"Reduction of returns and statistics . . . not essential for security or control.

"Less frequent checking of cash.

"Pooling of staff at large branches and headquarters.

"Institution of centralized bookkeeping in large centres of population.

"Less frequent exchange in Scottish banks of Scottish notes . . . once a week instead of daily as at present.

"We are of the opinion some labor could be saved particularly in larger offices by allowing greater latitude in the rate of country clearing.

"Another source of labor economy would normally be an increase in the use of mechanical appliances, but they are now almost impossible to obtain. There is, however, an obligation to see that such mechanical aids are used with the same sense of value as machine tools. If a shift system is possible then shifts should be worked.

"Still further reductions in services have to be considered. . . . So far as the private customer is concerned, detailed statements of cheques drawn and payments received . . . might with advantage be cut down still further by all banks.

Standing Orders For Pensions

"In addition . . . the banks might well agree to introduce other simplifications in consultation with their customers . . . for example standing orders for pensions or for other periodical payments now on a monthly or weekly basis could often be put on a quarterly or half yearly basis.

"Large firms might with advantage be encouraged to pay salaries in the lower ranges in cash rather than by cheque, drawing the money in bulk. It would be useful too for the banks to consider how far they can refuse to take on new ancillary business such as trustee work and executorships, insurance work and stock exchange operations, and in any event to make arrangements for work of this kind to be kept to a minimum. Equally the banks should make the fullest use of the labor-saving device of the payment of dividends on block warrants accompanied by income tax certificates.

"The co-operation of users of the banks is much to be desired and they should be urged not to put upon the banks in time of war, tasks which they could well at the expense of a little energy perform for themselves. It would not be amiss if the banks were to consider whether the imposition as a matter of standard banking practice of a small charge for all special services would not have the beneficial effect of keeping them down.

Differences in Hours

"On the subject of hours there are especial difficulties to be borne in mind . . . and care must be taken to distinguish between the hours between which a bank is open to the public and the hours during which the staffs are actually at work. The first difficulty is that by reason of its dependence upon public demands, the amount of work to be done is irregular in its incidence and outside the control of the industry; secondly much of it must be completed each day by a specified time. For example, cheques for collection must be forwarded by the last post on the day they are received and ledgers must be balanced at the end of each day. For such reasons a fixed number of hours which should be worked each day for every week cannot be imposed, especially since many tasks must be performed simultaneously and not in serial order. Reductions of total staff, however, and closing of branches wherever possible, must tend to increase the average working hours of all staffs and are the most effective way of ensuring that they are commensurate with present day needs. Indeed the general managers of representative clearing banks have assured us that any further reduction in total labor pool can now only be met by longer hours.

Close at 2.30 p.m.

"A moderate shortening of the present hours during which banks are open to the public, commonly until 3 p.m., will usefully save labor without material inconvenience. We recommend accordingly that the hour of closing to the public shall be 2.30 p.m. throughout the year.

"Employment of part time workers can with advantage be extended. It is true that the confidential nature of much of the work involved and the fact that only a certain proportion is of a routine nature impose limits upon this measure, but we are satisfied that there still remains a fair amount of such work as copy-typing and filing which could be accomplished by this means.

In addition the banks should seek to employ more qualified aliens against whom there is no objection on the ground of security, bearing in mind that the experience of such employees can quickly be turned to good account even though the branch of banking in which they formerly specialized is not now active.

"It would . . . be helpful if all new recruits were sent initially to training schools, especially established for the purpose, and the banks might with advantage endeavor still further to provide against the loss of experienced staff by training suitable older women to take more responsible posts."

The Report on Insurance

Under the heading of "ordinary insurance" the report states in part:

"In considering the possibility of further contraction of personnel it is necessary in our opinion to observe the following guiding principles.

"A. That the principal classes of ordinary insurance are essential to the community under present conditions, and should be maintained on a sufficient scale, particularly the technical experience of the fire companies in the matter of fire prevention storage and salvage, which is of especial importance at the present time when the conservation of stocks and factories is essential.

"B. That the position of British insurance in foreign markets should be maintained at any reasonable cost as representing a substantial and economical invisible export.

"C. That the facilities for adequate marine insurance should likewise be maintained if possible at such a pitch of efficiency as will not only cope with present needs but be ready for immediate expansion to meet the need, which experience foretells, on the cessation of hostilities.

"D. That the force available to administer the various war damage schemes must be sufficient to ensure the reasonably prompt settlement of claims, a factor which has in the past contributed in no small degree to the preservation of public morale in the face of heavy air damage."

Must Strike Balance

The report states that a balance has to be struck between what is needed to maintain these principles and the need for manpower to maintain vital war services. It continues;

". . . whilst it is in our opinion desirable that the facility for effecting life insurance should be available to the public, there does not appear to us to be any need for the creation and maintenance by advertisement or salesmanship of a public appetite for an insurance of this class.

Transfers

". . . There should be some means whereby . . . transfers can be prevented . . . a provision that no insurer shall accept business transferred from another unless the other insurer has demanded an increased rate of premium or some other material change in the terms and conditions of the policy or has failed to make use of a reasonable opportunity of establishing, before referees drawn from the industry, that the transfer is not necessary for the proper protection of the interests of the assured.

"It has been demonstrated to us that marine insurances would have to be excepted from this provision as in many cases the time factor would made its application impracticable, and some adaptation of this requirement may be found necessary to meet special cases. Even with these exceptions the elimination of transfers should, we think, ensure that there is no avoidable waste of manpower in this matter and would not be offset by any resultant disadvantage. . .

Concentration

"The weight of evidence is against any immediate saving in manpower resulting from a process of concentration amongst the various companies. Nevertheless the need for manpower is so great and, will we understand, be becoming so much greater that we cannot afford to ignore any possibility, whether immediate or less immediate, of economizing in the use of manpower, and we, accordingly, suggest that this aspect of the matter should be pursued in consultation with the Board of Trade and the ministry of labor and national service. Moreover there seems to be some ground for suggesting that a saving of personnel could be efected by some further consolidation of all insurance undertakings at present working as separate entities but under the same financial control. It is difficult to speak with any certainty as to this in the absence of the detailed facts of each particular case. Particularly where foreign business is concerned it is essential to maintain the facade with which the assured is acquainted. . ."

Smaller Companies

To meet the possibility of recommendations having an adverse effect on companies with limited resources, the suggestion is made that the Board of Trade should consider the necessity of taking statutory power to enable them to deal with such eventualities.

In some sections of the industry, the working day is found to be shorter than in other comparable occupations. The report says the possible saving is probably not very great, but representative bodies have given assurance that steps are being taken to eliminate any possibility of wastage in this direction and the companies are urged to make all possible use of any available part time service. The report goes on:

"The exact number of employees, or percentage of pre-war staff, which the industry must retain in order to maintain its necessary services at an irreducible minimum of efficiency cannot be exactly or permanently fixed. These are matters which need gradual and continuous adjustment to current needs, but we think that as to male staff now deferred the industry should aim at making a contribution of 10% to 20%."

Follow Up

To promote an active following-up of the Kennet committee's suggestions for economy, it recommends that the representative bodies of the industry should report periodically on their progress to the Board of Trade, and the Board of Trade should consider the report with the assistance of some advisory body.

It states that since the urgency of the demand for manpower increases with time, the process of call-up, including transfer to essential industry, must be continuous. The number employed in the industry cannot, therefore, be stabilized, but must be subject to periodical review by the ministry of labor and national service in order to maintain a balance with the demand of essential war services.

Industrial

Regarding industrial insurance the report says:

"Concentration—here used in the sense of inter-office concentration . . . is both undesirable and impracticable; it could only be imposed by legislation which would revolutionize entirely the present system, would deprive it of many of its best features and would probably . . . result in an increase rather than a diminution of the total personnel of the industry.

"Modification or reduction of services: We are unable to find any room in the industry for the saving of manpower under this head.

"We have been reminded by the offices that as thrift organizations they are doing valuable work in encouraging small savings and making them available in large sums to the government and that the process has the important effect of withdrawing from the public a large volume of purchasing power that would otherwise tend to promote inflation. . . We were unable to find any room in the industry for the saving of manpower under this head.

"Internal reorganization: By far the greater proportion of the employees in industrial assurance offices are to be found in the field staffs.

"The Prudential operates what is known as the block system . . . initiated some years before the war from motives of communal self-interest. Under this system all premiums whether in respect of industrial . . . ordinary . . . or general branch contracts in a defined area known as the agency are collected by the agent for that block . . . Experience has shown that under the block system the company was able before the war to effect great economies, and overlapping is avoided or very substantially reduced. . . In view of the results achieved we suggest that its adoption should be seriously considered by other companies."

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Surplus	1,735,148.47

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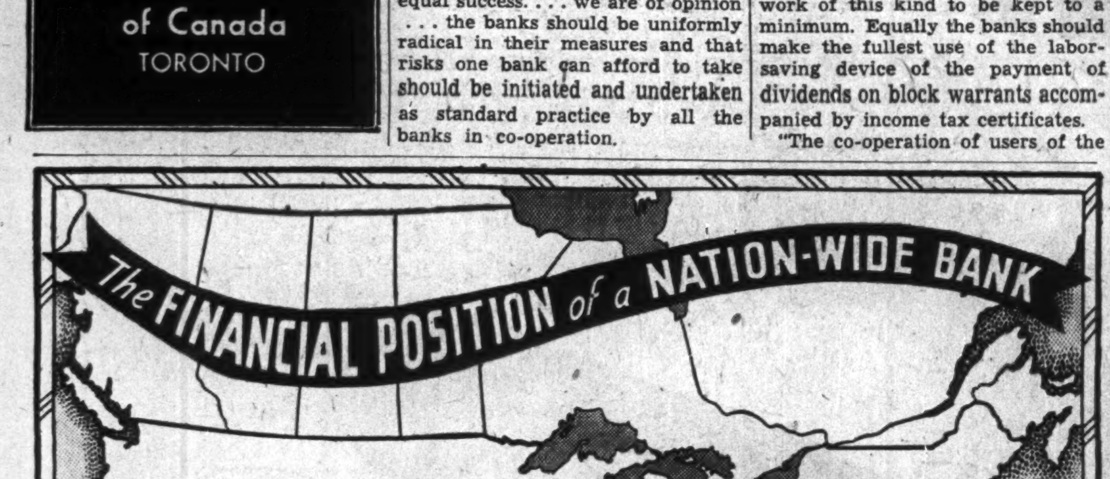

THE CANADIAN BANK OF COMMERCE
HEAD OFFICE - TORONTO

PROFIT AND LOSS ACCOUNT
For the Year Ending 31st October, 1942

Balance brought forward from last year	$ 794,162.30	Dividends	$2,250,000.00
Net profit after deducting Dominion taxes of $1,830,858.01 (of which $46,707.00 refundable under Excess Profits Tax Act) and making full provision for bad and doubtful debts	2,936,053.06	Transferred to Pension Fund	258,706.25
		Written off Bank Premises	350,000.00
			$2,858,705.25
		Balance carried forward	871,510.11
	$3,730,215.36		$3,730,215.36

STATEMENT AS AT 31st OCTOBER, 1942

ASSETS

Cash on hand and due from Banks and Bankers	$122,323,414.68
Notes of and Cheques on other Banks	25,642,817.86
Government and other Public Securities (Not exceeding market value)	407,128,849.00
Other Bonds and Stocks (Not exceeding market value)	9,823,709.41
Call and Short Loans (Security held of sufficient marketable value to cover)	25,584,509.65
Deposit in Circulation Fund, held by Dominion Government	800,000.00
Total Quick Assets (70.79 per cent of Total Liabilities to the Public)	$591,303,300.60
Loans and Discounts (After full provision for bad and doubtful debts)	245,743,600.91
Acceptances and Letters of Credit for Customers (See below)	28,569,123.63
Bank Premises	13,664,851.24
Other Assets (including refundable portion of Dominion Government taxes)	7,379,668.51
Total Assets	$886,660,544.89

LIABILITIES

Notes in Circulation	$ 14,176,913.81
Deposits	792,559,583.91
Acceptances and Letters of Credit (See above)	28,569,123.63
Total Liabilities to the Public	$835,305,621.35
Capital Paid Up	30,000,000.00
Reserve Fund	20,000,000.00
Dividends declared and unpaid	483,413.43
Balance of Profit as per Profit and Loss Account	871,510.11
Total Liabilities	$886,660,544.89

S. H. LOGAN,
President

A. E. ARSCOTT,
Vice-President and General Manager

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Chatelaine's
WAR NUTRITION DRIVE
began in September, 1939

SEVENTEEN days after war began, Chatelaine published this article on wartime nutrition and economy. "Now, more than ever, do housekeepers pay attention to nourishing meals and balanced budgets," wrote Helen G. Campbell, Director of Chatelaine Institute, in her lead article for October issue, 1939 (out Sept., 1939).

It was natural that Chatelaine should take the lead in this wartime effort because Chatelaine had long been a recognized authority on nutrition. One of the reasons for Chatelaine's existence is to give authoritative direction on meal-planning.

In every issue since the beginning of the war Chatelaine Institute has placed its influence squarely behind the importance of better nutrition to win the war. Chatelaine's constructive programme is, therefore, closely dovetailed with the Nutrition Programme announced last summer by the Dominion Government.

Better nutrition is vital to all—key your "sustaining" advertising to this important national endeavor.

IN CHATELAINE, FOR JANUARY, 1943:

THE NEED
We live in a land of plenty, and yet everyone is NOT well nourished—simply because we don't choose the right foods.
—An authoritative, convincing article by the outstanding Canadian expert in the field.

WHAT IS TO BE DONE ABOUT IT
The programme and machinery of education, being undertaken under Government leadership and direction, to improve Canada's nutrition.
—By a leading authority in every phase of the Dominion-wide Nutrition Programme.

WHAT THE READER CAN DO
Chatelaine's readers, Canada's soldiers-in-the-apron, can choose right, buy right, cook right.
—By Helen G. Campbell, Director of Chatelaine Institute.

NUTRITION COVER
A human dramatization in color photography, showing nutrition at work in the Canadian home. Designed and photographed under supervision of Chatelaine's editorial staff.

OTHER ARTICLES
Illustrations in color, Cooking Quiz, Meals of the Month, New Year's Nutrition Resolutions, Nutrition in relation to other Factors, etc.—all prepared by and in Chatelaine Institute.

HOUSEKEEPING

WAR NUTRITION FEATURES
Published in Chatelaine issue by issue since Sept., 1939, include the following articles:—
"Home Defense & Winter Vegetable Dishes."
"Eat and Be Healthy."
"What do you mean by Balanced Meals?"
"Forgotten Meal."
"Graded for Quality."
"Nutrition News."
"Volunteers for Service."
"Patriotic Christmas Dinner."
"Salads, Making and Serving."
"Preserved to Serve."
"Serve them Right."
"Wheat decorated for Service."
"The questions you have asked us."
"Meat dishes that fill the bill and cut the bill."
"Yeast."
"Fifth Columns in the Kitchen."
"The Three Musketeers."
"Rich in Minerals."
"Foods for Fitness."
"Foods for Fitness and how to serve them."
"Fight the Fifth Column."
"My Maid has gone into Munitions."
"Eat less and like it."
"Fat of the Land."
"Darling, can you cook?"
"Turn over a new leaf."
"Drink your Health."
"Milk Recipes."
"Grouping the Colours."
"Vitamin C."
"Thirty Lunch Boxes."

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LONDON CALLING

WRITTEN EACH WEEK EXCLUSIVELY FOR THE FINANCIAL POST BY Adelphi

LONDON.—"What is destiny?" asked the student, and the old man replied: "Character is destiny." "And what reveals character?" the student asked, and the old man answered: "Personality." I am reminded of these words on this November morning with the rain splashing sullenly upon the sodden earth, with the skies so low that one could almost lose one's head in them, and without a breath of wind.

For the first time in this war a German army has been broken and routed. For the first time Hitler's legions have endured a retreat with enemy planes hurling death and dismay in their midst while scarcely a German 'plane can be seen. The Hun is drinking the devil's brew which Hitler prepared for his enemies.

But what has all this to do with destiny and character and personality? Quite a lot, I think. The sending of Alexander and Montgomery to Egypt was a stroke of genius on Churchill's part. Alexander, as I have intimated in these notes before, is a dandified military buccaneer possessed of the spirit of attack.

* * *

Alexander Attacks

His defense of Burma showed him as a superb leader of men (and some day that three months' stubborn retreat, may be revealed as a turning point in the war) but at heart he is an attacker. So is Montgomery. When the battle developed, Alexander joined his colleague at the 8th Army Headquarters, and together they punched Rommel all around the ring. Unless all evidence is wrong it would seem that at last the Army has found leaders capable of the Nelson touch on land.

Again, one has to take into account another character and another personality, Winston Churchill. He has had a grim role to fill for the last eight months. It is not easy for the descendant of Marlborough, a general who made Europe into his playing field, to listen to charges of sluggishness, timidity and obstinacy. By refusing to open a second front this year in Europe he risked his world prestige and almost his premiership. He even risked the resentment and indeed the anger of Russia.

But always he has kept before him the fixed idea that only Britain could lose the war for the Allies. If once these Islands were taken or starved into submission, Germany, as master of all Europe, could defy the world. Therefore Churchill was determined to fight it out in the desert where victory would mean the securing of the Empire's life lines, the freeing of the Mediterranean, and the exposing of another flank for the enemy.

It may well be that an "all out" invasion of Europe would have proved a successful gamble, but Churchill—a gambler by nature—has taken the sober view of the realist. No one but a man of the greatest stubbornness could have held out—but then stubbornness, too, is character.

* * *

Best Dressed Politician

I find myself greatly intrigued by the ultra feminine personality of Mrs. Claire Booth Luce, who, now she has been elected a member of Congress, will be able to claim that she is the best dressed politician in the world. I met her in the first year of the war after she had done a tour of Europe. On that occasion I felt that she was so immaculate, so faultlessly smart, that if she collided with an omnibus it would be the bus that would emerge dishevelled.

I saw her play, "The Women," both in London and New York, and found it clever and revolting. Her explanation was that she was not arraigning women but only a section of them. It is a nice question how far you can denounce a portion of humanity without degrading, to some extent, the whole.

Parliaments have a habit of subduing striking personalities, and the wife of the owner of "Life" and "Fortune" may not escape this process of diminution. Perhaps she will let us have a play about Washington political society. If she does I will go to see it despite my unhappy experiences of her other play.

* * *

Bitter Loss

Mention of Washington brings to mind the sorrow that has come to that lonely figure at the British Embassy, Lord Halifax. His eldest son is in the House of Commons (now serving in the Army) and does not suggest that he will be more than a trustworthy and dignified servant of the State. But the younger son, Captain Peter Wood, who has just been killed in Egypt, was a brilliant and fascinating personality. At Oxford he developed a witty tongue, a sharp pen and a real flair for politics. As the disillusionment of Munich swept over the land Peter Wood made himself counsel for his father's defense.

Lord Halifax

Although Oxford had been definitely pacifist in the intervening years it was all for exterminating Hitler and crushing Germany once Munich had taken place. Peter Wood laid about him in all directions. With biting satire he pilloried those who were for war without weapons. Gay, insolent, witty, angry, he fought for his father's reputation and then went out to die. The affection of Lord Halifax for his son had almost reached idolatry and the blow must have struck very deep.

* * *

Tireless Smuts

What is this man Smuts made of? Here is what he did one day recently.

Saw two Indian representatives of the War Cabinet.

Lunched with the allied foreign ministers in London.

Had an interview with M. Pierlot, the Belgian Prime Minister.

Dined with Sir Archibald Sinclair and the members of the Air Council.

Attended a meeting of the War Cabinet.

Dealt with many matters concerning affairs in his own country.

His secretariat look with envious but tired eyes on the man of granite who never seems to know fatigue. But then so did his 300 Boers who followed him in that incredible march to the sea where he outwitted thousands of British troops, endured such hardships that his horses fell dead in their tracks, fought engagement after engagement, and took decision after decision without a sign of excitement or doubt. If you can buy or borrow a copy of Reitz's "Commando" you can read all about it. It is a mighty story, told in its stark simplicity. Truly in the case of General Smuts it can be said that character is destiny.

* * *

A Note of History

To end this character-destiny theme it might be worth while to recall that it was only eight years ago this month that Adolf Hitler had his "night of the long knives." He had conjured into being the motley, sadistic, semi-criminal; semi-idealist army of Brown Shirts that was later to absorb the German army.

But Hitler was craving for respectability. Like all dictators he was beginning to despise as well as fear his dupes. Unlike Napoleon he was not going to leave Fouchet to work against him from within. So he ordered the murder of all the most ardent spirits in the Nazi movement. Those who had shouted "Heil Hitler" with the loudest voice were marked for slaughter.

Napoleon, made by the revolution, offered to turn his guns on the Paris mob. Hitler, created by his mobsters, cut the throats of their leaders. Napoleon went to Egypt and was beaten by the British. Hitler went to Egypt and his armies are in full retreat. Napoleon went to Moscow. So did Hitler. Napoleon cried: "Give me control of the English Channel for 48 hours and I will be crowned in London." Hitler gazes at the same Channel today.

Character can be evil and it creates an evil destiny. Only this time let us not make the same mistake as we did with Napoleon and make him a figure of glory. History badly needs re-writing.

Ogilvie Flour Mills Export Trade Better

From Our Own Correspondent

MONTREAL. — Ogilvie Flour Mills' export business has been larger in the last few weeks than was anticipated at the time the annual report was issued recently, but otherwise conditions were unchanged, Hon. Charles A. Dunning, president, stated at the annual meeting.

Regarding the new mill, partially completed in Montreal, Mr. Dunning said that four floors have been erected and this has provided much needed warehouse space.

Your Investments

What We Do:	What We Don't Do:
1. Give information on Canadian securities to Financial Post subscribers.	1. Answer enquiries of non-subscribers.
2. Publish anonymously letters of general interest.	2. Answer enquiries on foreign securities.
3. Supply facts rather than opinions.	3. Reply by telephone or telegraph.
	4. Select list of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

Winnipeg Electric

Are the Winnipeg Electric B bonds a good investment for a long hold? What is the market price now?

Winnipeg Electric Co.'s general mortgage, series B income bonds, are not without interest at the current market level of 78½-80½. Interest charges on these bonds were earned about 2.9 times in 1941, compared with 1.52 times the year before. It should be remembered that up to 1942 these bonds carried an interest coupon of 4% and interest was payable only out of income. Since then, the coupon rate has advanced to 5% under terms of the reorganization plan. Then after Jan. 2, 1947, the interest goes on to a fixed basis. Operations of the company have moved ahead at a satisfactory rate and it is in a position to handle a further increase in business. In so far as the B bonds are concerned, the prospects are the company will be able to maintain its obligations.

C.I.I. Trust

We would appreciate having your opinion on the merits of Canadian International Investment Trust's 5% bonds. What is market price? Any other information would be welcome.

Canadian International Investment Trust is an investment trust of the management type subject to certain restrictions While revenues have dropped since 1938, income has been maintained on a fairly even keel in the last three years with bond interest being covered a little better than twice over in 1942. The equity back of the bonds at the end of last year totalled $1,546 for each $1,000 par value of bonds outstanding. The investment portfolio is well diversified and the rating given to the bonds may be judged by the fact that they are currently selling around 83-85.

Dosco

Will you be kind enough to let me have any information available on Dominion Steel & Coal Co., B stock?

Dominion Steel & Coal Corp. has been operating at capacity since the outbreak of the war. The volume of business handled during 1941 amounted to $83 millions compared with $82 millions the year before. The vast expansion in business has necessitated heavy capital expenditures for plant, additions to plants, and new equipment. Productive capacity has been been greatly increased. Reflecting the larger volume of business, earnings have considerably improved. At the end of last year, net working capital totalled $13.3 millions, the highest figure in many years. Earnings on the B stock, totalled $1.12 a share, or practically the same as in 1940, despite the increase in taxation. In so far as the B stock is concerned, the management has indicated that dividends will be given consideration. In the meantime, the expansion of activities required greatly increased working capital and no definite commitment could be made.

Montreal Apartments

As a subscriber of The Financial Post I would like to have a report on the bonds of Montreal Apartments. I would like to know especially if they have been able to cover their bond interest regularly.

Real Estate bonds are not especially well regarded, but the record of Montreal Apartments has been well above average. The first mortgage bond interest has been fully earned in the last three years. However, earnings are somewhat limited and toward the end of 1941 it was necessary to ask the first mortgage bondholders for a concession in respect to payments into the sinking fund. This plan was approved early in 1942.

A National Duty—

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[illegible] — HEAD OFFICE — WATERLOO ONTARIO

Records

The Vanguard and Rearguard of Victory!

The connection between the firing line and the "filing line" may, without thinking, seem obscure. But behind the turn of every wheel, every propellor, every turbine, on the war front or industrial front are the records . . . the information, the data, the orders of the day, the plans for tomorrow, the lessons of yesterday, without which all action would be chaotic.

The more precise and efficient are these records, their quick accessibility assured in any emergency, the more quickly and surely will every movement and enterprise function . . . and the sooner will victory be ours.

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With asbestos gloves, you can handle live coals as nonchalantly as ice cubes!

Canadian asbestos protects naval fire-fighters, as shown in this "shot" from the current motion picture, "Ships with Wings".

For Over 1,000 JOHNS-MANVILLE Products

• Ack-Ack guns and asbestos . . . *both* are weapons of war. Today, the fireproof "Magic Mineral" of peacetime is used in many vital ways in tanks, ships and submarines — and in the form of flameproof clothing for army, navy, air force and A.R.P. firefighters. Johns-Manville, alone, makes available over 1,000 different products which directly and indirectly serve the war effort. That explains why, at Asbestos, Que., in the J-M factory and mine—the largest asbestos mine in the world—over 1,500 Canadian workers are busy night and day, week in and week out. War orders come first, of course, but if you have a plant building, expansion or modernization problem, it will pay you to get in touch with your nearest Johns-Manville office.

The Canadian Johns-Manville mill, at Asbestos, Que., comprises the largest group of asbestos mill buildings in Canada.

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ASBESTOS
QUEBEC
MONTREAL

CANADIAN
JOHNS-MANVILLE CO.
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Mine and Factory at Asbestos, Que.
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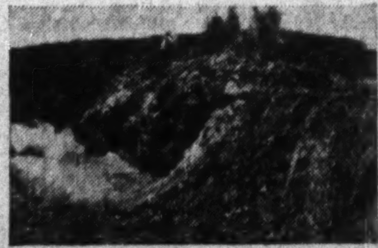
Blasting at the J-M mine. After the blast, the broken rock is loaded on railroad cars and hauled from the pit to the mill.

ST-3

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The Facts about Fluorescent Lighting

Important Information for Every Business Executive About Canadian General Electric's New Efficient "Artificial Daylight"

Adding millions of productive man-hours to wartime industry, speeding production and reducing spoilage, is a revolutionary new light source — the Mazda *Fluorescent Lamp*. A laboratory novelty six years ago, the Fluorescent Lamp is today an important war production aid. It provides more light than was ever before thought possible : : : yet it *conserves electricity*. It looks cooler and *is cooler*. It ensures much greater comfort, makes air-conditioning more practical. Mazda Fluorescent Lamps have low surface brightness and produce less glare. They ensure better diffusion with minimized shadows — reducing eye-strain and nervous fatigue. Fluorescent lighting operates on an entirely new and different principle. It provides artificial daylight illumination 24 hours a day—making seeing easier : : : aiding health and morale. In the opinion of lighting specialists, the whole history of lighting practice begins anew with the introduction of fluorescent lamps. For further, fuller information, write to your nearest C.G.E. office.

L-443

CANADIAN GENERAL ELECTRIC CO.
LIMITED

THE WEEK'S QUOTATIONS

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

STOCKS TRADED THIS WEEK

WEEK ENDING NOVEMBER 23

Range 1942 High	Low	Div R'te $	Nov21 Y'ld %		Sales	Last Nov. 16	Week end. Nov. 23 H	L	Cl'se
				A					
.75	.40	.	...	Abitibi	1000	.50	.65	.50	.65
7	3½	.	...	Do. pref. 6%	1265	4½	4½	4	4
33	21½	.	...	Alta. Pac. Gr. p	446	32	32½	30	32
9½	7½	.	...	Algoma Steel	110	7½	7½	7½	7½
84	79½	5	6.2	Do. pref.	20	80	80	79½	79½
109	80	8+2	10.8	Aluminium, c.	265	92	93½	91	93½
20	16	1.40	7	Asbestos	465	19	20½	19½	20½
18½	13½	1.75	11.7	Assoc. Brew	80	15	15	15	15
112	109	7	6.4	Do. pref.	1	111	109	109	109
				B					
189	124½	6	4.2	Bk. Montreal	20	140	144½	141	141½
255	200	10	4.9	Bk. Toronto	25	200	203	203	203
21	12	.	...	Barker's Br'd, p	25	21	20	20	20
14½	10½	1+.50	11½	Bathurst Pr.	225	13	13	13	13
11½	6½	.25	...	Beatty Bros.	190	10½	11½	10½	11½
110½	102	6	5.4	Do. pref.	505	110	110	110	110
9½	9½	.	...	Beauharnois	123	9½	9½	9½	9½
150½	123	8	5.9	Bell Telephone	416	135	135½	134½	135½
32½	23	2.50	10	Blue Ribbon pf.	37	24	25	25	25
10½	8½	.60	6	Blue Top Br. A.	132	8½	10	10	10
10½	8	.	...	Do. (B)	500	9	10	10	10
12	6	1	...	Brazilian Tr.	589	11½	11½	11½	11½
5½	3½	.50+.10	..	Brew. & Distil.	440	4½	5½	5	5½
18	13	1	6.2	Brit. Amer. Oil	2480	16	16½	15½	16½
16	12	1.50	...	B. C. Packers	1186	14	16	15	15
22	17	2	10	B. C. Power A.	215	20	21	20	21
1.30	.75	.	...	Do. (B)	5	1.30	1.25	1.25	1.25
14	11	.70+.10	6½	Building Prod.	1165	11½	12½	11½	12½
8½	7½	.60	7.5	Burlington St'l.	50	8	8	7½	8
				C					
102	97	6	6.2	Calgary P., pf.	5	97½	97½	97½	97½
3	1½	.	...	Canada Bread	50	3	2½	2½	2½
6	5	.40	7.3	Canada Bud	25	5½	5½	5½	5½
5	3½	.	...	Canada Cement	445	4½	4½	4½	4½
102	90	6.50	6.9	Do. pref.	32	94	94	94	94
20½	13	1.15	...	C. & D. Sugar.	1721	14½	15	14	15
38	32	2+.50	7.3	Can. Malting	315	33	34	33½	33½
5½	4	.60	12	Can. Nor. Pr.	405	4½	5½	5	5½
88	74	7	9.4	Do. pref.	5	74½	74	74	74
87	74½	4	5.1	Can. Packers	10	78	79	79	79
126	110½	8	6.8	Can. Perman.	56	120	120	116	118
8	5	.	...	Can. Steamsh's	3060	6½	8	7½	8
30	25½	2.50	8.6	Do. pref.	408	29	30	28½	29
7½	4½	.40+.10	8	Can. Vinegars.	35	6	6½	5½	6
108	104½	6.50	6	Can. W Cable p	3	107	107½	107½	107½
65	48½	8.75	...	Can. Baker. pf.	15	65	63	63	63
154	115	6	4.8	Can. Bk. Com.	65	121	124	122½	123
1.45	1.00		...	Can. Breweries	575	1.15	1.20	1.15	1.20
31	25½	3.40	12.5	Do. pref.	75	26½	27	26	26
32	27½	1.50+.50	6½	Can. Bronze.	180	29	30	30	30
105½	105	5	4.7	Do. pref.	55	105	105½	105½	105½
6	4½	.50	9	Can. Canners	149	5	5½	5½	5½
22	16	1+.20■	6	Do. 1st pfd.	10	19½	19½	19½	19½
9½	8	.60+.20■	9	Do. 2nd pfd.	225	9	9	9	9
7½	4½	.	...	Can. Car & F'y	405	7	7½	7	7½
27½	21½	1.75	6.5	Do. pref.	360	27½	27	27	27
27½	21½	1+1	7.4	Can. Celanese.	125	27	27	27	27
130	118½	7+1.15■	6	Do. pref.	22	129½	130	130	130
23	21½	1	4.5	Do. Rights	5	22½	22	22	22
17½	15	2	12.9	Can. Convert.	10	15½	15½	15½	15½
117	113	6	5.2	Can. Cottons, p	2	116	115	115	115
14½	9	.	...	Can. Dredge	50	14	14	14	14
25	13	2	8.9	Can. For. Inv.	45	23	22½	22½	22½
7½	6½	.50	6.8	Can. G. Inv.	180	7½	7½	7½	7½
4	3	.35	...	Can. Ind. Alc.	1176	3½	3½	3½	3½
3½	2½	.35	...	Do. (B)	355	3½	3½	3½	3½
167	127½	6	4	Can. Indust. B.	17	140	149	149	149
175	152	7	4.4	Do. pref.	10	159	160	160	160
9½	6½	.	...	Can. Locomo.	5	7	6½	6½	6½
.90	.45	.04	...	Can. Marconi	225	.90	.90	.90	.90
15	10	.50+.70	9	Can. Oil	25	13	13	13	13
123	105	8	7.6	Do. pref.	5	105	105	105	105
8½	5	.	...	Can. Pacific	11961	8½	8½	7½	7½
.35	.07	.	...	C. Pr. & Pa. In.	4	.15	.10	.07	.07
1.50	.40	.	...	Do. pref.	10	1.00	1.25	1.25	1.25
103	100½	♦5.25	...	C Tube & Stl p	108	100½	103	103	103
6	5	.	...	Do. 2nd pref.	126	6	6	6	6
3½	2	.	...	Can. Vickers	215	3	3	3	3
1.20	.80	.	...	Capital Estates.	95	1.00	1.00	1.00	1.00
8½	5	.	...	Catelli Food	10	8½	8	8	8
10	8	.75	...	Do. pref.	10	10	10	10	10
3½	2	.	...	Ch. Gai Wines.	10	2	2	2	2
1.42	1.05	.12	...	Coast Brew.	100	1.15	1.17	1.17	1.17
8	4	.50	...	Cockshutt Plow	260	7½	7½	7½	7½
2.75	1.90	.15	...	Com Alcohol, c	1575	2.50	2.75	2.50	2.63
10½	8½	.60	6.3	Cons. Bakeries	100	9½	9½	9½	9½
3.37	1.50	.	...	Cons. Paper	2221	2.37	2.37	2.00	2.00
4	2	.	...	Cons. Press	100	3	3	3	3
39	32	1+1.50	6.8	Cons. Smelt.	1373	36½	36½	36½	36½
132	109	8	7.1	Consumers' Gas	58	113	115½	113½	115
23	18	1.20+.15	6	Cosmos Imp.	22	21	22	22	22
26½	10	.	...	Cres. Cream, p.	3	26½	26	26	26
25	20	2	8	Crown Cork	50	20	25	25	25
				D, E					
10½	8	1+.15	..	David & Fre. A	100	9½	9½	9½	9½
26½	21	2.22	8.5	Distill-Seagram	475	26	26	25½	26
97½	90	5	5.2	Do. pref.	100	97	97	97	97
191	135	8	5.6	Dom. Bank	28	140	143	142	142
24	20	1.20	5.5	Dom. Bridge	325	20½	21½	21½	21½
15½	9½	.	...	Dom. Coal, pf.	231	10½	12½	11½	12½
25	17	.	...	Dom. Engineer.	10	17	18	18	18
20	16½	1+.25	6	Dom. Found's c	95	19½	19½	19½	19½
117	110	5	4.4	Dom. Glass	90	114	114	114	114
152½	150	7	4.6	Do. pref.	10	151	151½	151	151
25	20	1.20+.40	7	Dom. Oilcloth.	166	20½	21½	21½	21½
.60	.40	.	...	Dom. Scot. Inv.	16	.50	.40	.40	.40
24½	20	2.50	...	Do. pref.	6	23½	23½	23½	23½
9½	4½	.	...	Dom. St. & C.B.	381	7½	7½	7½	7½
6½	3½	.20	...	Dom. Stores	200	6	5½	5½	5½
5	3	.	...	Dom. Tar & Ch.	750	4½	5	5	5
90	83	5.50	6.2	Do. pref.	50	89	89	89	89

Range 1942 High	Low	Div R'te $	Nov21 Y'ld %		Sales	Last Nov. 16	Week end. Nov. 23 H	L	Cl'se
82½	66	5	7.2	Dom. Textile, c	196	68½	70	68½	70
1.50	.70	.	...	Dom. Woollens.	257	1.40	1.50	1.25	1.25
8	6½	.60	7.7	Do. pref.	30	7½	7½	7½	7½
4	2	.	...	Donnacona P.	263	3	3½	3	3
6	3½	.	...	Dryden Paper.	155	4½	4½	4½	4½
.50	.25	.	...	East Dairies	35	.50	.40	.40	.40
3	2½	.	...	Easy Washing.	200	2½	3	3	3
5	2½	.	...	Electrolux	110	3½	4½	4	4½
3	2½	.	...	Enam. & Heat.	50	2½	2½	2½	2½
3½	1½	.	...	English Elec. B	25	2½	3½	3½	3½
				F, G					
3½	1½	.25	...	Fairchild Air	125	2½	2½	2½	2½
22½	15	1.50+.25	9	Fanny Farmer.	740	19½	20	19½	20
37	33½	6	...	Federal Gr. p.	9	37	37	37	37
3½	2½	.	...	Fleet Aircraft.	500	3	3½	3	3½
20½	14½	1	5	Ford Motor A.	1642	19½	20	19½	20
20½	14½	1	4.9	Do. (B)	10	20½	20½	20½	20½
16½	12	♦1.20+.50		Foundation Co.	215	14	15	14½	15
13	7	.	...	Fraser Cos.	5	9½	9½	9½	9½
13½	7½	.	...	Do. Vot. Tr.	310	9½	9½	9½	9½
6½	4½	.60	8.9	Gatineau Pwr. c	135	6½	6½	6½	6½
6½	5	.50	...	Gen. St. Wares.	935	6½	6½	6½	6½
92	82	7+.53■	8½	Do. pref.	20	85½	88	86½	88
60	31½	2.50+2.50		Goodyear Tire.	11	55	56	56	56
51	39	2.50	4.9	Do. pref.	35	51	51	50½	50½
2.50	1.00	.	...	Gt L. Pa V tr c	62	1.90	1.90	1.90	1.90
16½	11	1.50	...	Do. Vot. Tr. p.	128	13	13	12½	13
4	2	.	...	Gurd, Chas.	10	4	4	4	4
4	2½	.	...	Gypsum, Lime.	250	3½	4	3½	3½
				H, I					
4½	2	.	...	Ham. Bridge	3115	3½	4½	3½	4½
3½	2½	1.20+.10		Harding Carpet	20	3½	3½	3½	3½
14	8	.	...	H. Smith Pap c	10	10	10	10	10
204	145	8	5.3	Imperial Bank.	5	150	152	152	152
10½	7½	.50	5	Imperial Oil	5386	10½	10½	10	10½
12½	9½	.40+.17½	5½	Imperial Tob.	1556	10	10½	10	10½
7½	6½	6%	...	Do. pref.	85	6½	7	6½	7
11	6½	.25	...	Indust. Accept.	25	11	9½	9½	9½
12½	10	1.50	13.6	Inter. Bronze	120	11½	11	10½	11
23	20	1.50	7.2	Do. pref.	15	21	21	21	21
9½	5	.	...	Ind Metal Ind c	500	9½	9½	9	9½
36½	29	2	6.2	Int. Nickel	3284	33½	33½	32	32½
1.50	1.05	.	...	Int. Paints	100	1.50	1.50	1.50	1.50
15	13	1+.25▲	6½	Do. pref.	37	13½	15	15	15
16	11	1	6.4	Int. Pete.	3570	16	16	15	15
90	85	7	7.8	Int. Power pf.	16	89	89	89	89
3½	2	.	...	Int. Util. (A)	30	3	2½	2½	2½
.15	.03	.	...	Do. (B)	15	.15	.05	.05	.05
				J, K, L					
10	5	.	...	L. St. John Pr.	50	7½	7½	7	7½
17½	14½	1.20	6.8	L. of Woods c.	562	16½	17½	16½	17½
23	19½	2	...	Langley's, pref.	10	20	20	20	20
10½	6½	.80	8.9	Laura Secord	165	9	9	9	9
25½	19	1+.25	6.5	Loblaw (A)	130	19	19½	19	19½
23½	17½	1+.25	6.8	Do. (B)	180	18	18	17½	18
				M					
16	11½	1.00	...	Maclaren Pr.	25	13½	13½	13½	13½
7	5	.	...	M. L. Gardens.	5	5	5	5	5
6	4½	.40	8	Do. pref.	25	5	5	4½	4½
3	1½	.	...	Maple Leaf M.	50	2½	2½	2½	2½
6½	3	.	...	Do. pref.	91	6	6½	5½	6½
4½	2½	.	...	Massey-Harris	1309	4½	4½	4½	4½
13½	10½	1.25	...	Do. pref.	600	13½	13½	13½	13½
5½	2½	.	...	McColl Fron. c.	547	5½	5	4½	5
6½	5	.60	10.9	Melchers, pref.	45	5½	5½	5½	5½
15½	10½	2	...	Mitchell, Robt.	4950	13½	15½	14	15½
35	33	12%	...	Monarch Life.	40	33	33	33	33
117	111½	7	6	Montreal Cot p.	2	116	116	116	116
24	19½	1.50	6.9	Mont. L. & Pr.	2280	21½	21½	21½	21½
50½	48½	.	...	Do. Notes	2	48½	48½	48½	48½
.80	.70	.	...	Mtl. Refrig & S	5	.80	.80	.80	.80
24½	20	*1.82	..	Montreal Tele.	55	22	23½	23	23½
20	12	.	...	Montreal Trams	105	20	20	20	20
45	39	2.22+.66½	7	Moore Corp. c	455	41	41½	40½	41½
				N, O					
26	21½	2	8	Nat. Breweries	927	24½	25	24½	24½
40	35	1.75	5	Do. pref.	47	36	38	35	38
26	24½	1.50	5.9	Nat. Grocers pf	225	25	25½	25½	25½
34½	27	2	6.9	Nat. Steel Car.	125	30	29	29	29
3½	2	.	...	Noorduyn Av.	50	2½	2½	2½	2½
108½	105½	6	5.7	N. S. L & Pr pf	5	106	106	106	106
22	17½	1	4.8	Ogilvie Flour, c	180	20½	20½	20½	20½
110	103½	5	4.8	Ontario Loan	54	105	105	105	105
10	6	1	11.1	Ont. Steel, c.	25	9½	9	9	9
3	1½	.	...	Orange Crush p	150	1½	1½	1½	1½
5	2½	♦.20	..	Ott. Car Air	100	2½	3	3	3
21	12	2+.20		Ottawa El. Rly.	28	20	21	20	20
6	4	.60	10	Ott. L. H. & P c	175	5½	6	6	6
				P, Q, R					
103	85	5	5.7	Page Hersey	35	87	87	86½	86½
6½	4½	.	...	Pantepec Oil	100	6½	4½	4½	4½
4½	2½	.30	...	Power Corp.	35	4½	4½	4½	4½
85	73	6	7.8	Do. pref.	10	76	77	77	77
33½	30	3	9.7	Do. 2nd pref.	25	30	31	31	31
11	6	.	...	Price Bros.	330	7½	8	7½	8
70	54	5.50	10.1	Do. pref.	75	57	54	54	54
13½	11	1	7.4	Quebec Power.	80	13	13½	13	13½
5½	3	.75	...	Regent Knit, c.	700	5½	5	5	5
75	66	6.50+1.62½		Reliance Gr p	10	70	72	72	72
24	17½	2	8.9	River S. Mill.	950	17½	22½	20	22½
94	90	6	6.7	Rolland Pap p	40	93	90	90	90
155	115	6	4.8	Royal Bank	18	122	124	122½	124
150	130½	7	4.7	Russell Ind. pr.	15	145	150	150	150
				S					
106	103	5.50	5.2	Saguenay Pr. p	95	104	105	105	105
15½	12	.90	5.8	Shawinigan Pr.	1181	15½	15½	15½	15½
8	5½	.40	5	Silverwoods pf.	50	7½	8	8	8
3	1	.	...	Simpson, A. (B)	7	2½	3	3	3
69	65	6.50	8.5	Do. pref.	10	75	76	76	76

Range 1942 High	Low	Div R'te $	Nov21 Y'ld %		Sales	Last Nov. 16	Week end. Nov. 23 H	L	Cl'se
10½	8½	.80	8	So. Can. Pr.	80	10	10	10	10
103½	99½	6	5.9	Do. pref.	40	101½	102	101	102
2.00	.95	.	...	St. Law. Corp.	695	1.35	1.30	1.30	1.30
15½	8½	1+.50	14½	Do. (A)	505	9½	11	9½	10½
25	22	1.40+.50	8	St Law Flour c	60	22	23	23	23
43	24½	3+.75	12½	St. Law. Pap. p	55	26	30	30	30
.60	.35	.	...	St Pav & Mat c	18	.60	.55	.55	.55
4	3	.40	...	Stand. Radio	50	3½	3½	3½	3½
63½	57	3	4.9	Steel of Canada	70	61½	61½	60½	61½
70½	66	3	4.5	Do. pref.	206	66½	66	66	66
3	3	.	...	Sterling Coal	27	3	3	3	3
				T, U, V					
11½	8½	.80	7.8	Tamblyn, c.	135	10	10½	10½	10½
1.75	1.00	.	...	Tooke Bros.	57	1.75	1.75	1.75	1.75
20	12	.	...	Do. pref.	126	20	20	20	20
84½	50	5	7.3	Tor. Mtge.	25	68½	68	68	68
10½	4½	.	...	Union Gas	1156	6½	7	6½	7
36	29	3	9.4	United Fuel p A	25	31½	32	32	32
12½	10	1	8.3	Un. Grain Gr. A	7	12	12	12	12
44	2½	.	.	United Steel	1300	3½	3½	3½	3½
3½	3	.	...	Viau Bisc.	12	3	3	3	3
52	47	5	10.6	Do. pref.	6	49	47	47	47
				W, Y, Z					
44	35	4	9.7	Wabasso Cot.	21	39	41	40	41
50½	40	4	8.4	Walker-Good.	536	48½	48½	46½	47½
21	18	1	5.3	Do. pref.	180	19	19½	19	19
1.20	1.00	.05	...	Walkerville Br.	10	1.20	1.15	1.15	1.15
2.70	1.75	.20	...	West Breweries	60	2.50	2.70	2.50	2.70
1.80	1.00	.	...	West C. Flour.	15	1.65	1.50	1.50	1.50
10	6	.50	...	Western Steel.	150	8	7½	7½	7½
11½	9½	.80	7.6	Weston, George.	475	10½	10½	10½	10½
94½	90	5	5.4	Do. pref.	5	90	91½	91½	91½
3.50	.65	.	...	Winnipeg El. A	30	2.50	2.75	2.00	2.75
3.25	.60	.	...	Do. (B)	17	2.25	2.25	1.75	1.75
22	5½	.	...	Do. pref.	27	18	18	17	17
25	24	1.50	6	Zellers, pref.	250	24	25	25	25

▲ On account of arrears.
♦ Paid in 1942 to date.
■ Participating.
• Net after corporate income tax.

Mining Stocks

Week Ending November 23

Range 1942 High	Low	Div. Rate $	Nov. 21 Yield %	Company	Sales	Last Nov. 16	Week Ending Nov. 23 High	Low	Close
				A, B					
.16½	.05	.....	....	Aldermac	3,750	.08	.08	.07	.07
2.55	1.75	.20	....	Anglo-Huron	366	2.00	2.05	1.90	2.05
.27	.20	.04	....	Argus Inter.	475	.26	.27	.27	.27
.04½	.01	.....	....	Ashley	40	....	.02	.01	.02
1.47	.75	.16	13.9	Aunor Gold	6,000	1.12	1.25	1.13	1.25
.05½	.02½	.....	....	Bankfield	2,000	.02½	.02½	.02½	.02½
.09½	.05	.....	....	Base Metals	1,500	.07	.07	.06½	.06½
.08½	.02½	.....	....	Bear Expl.	62,500	.04½	.08½	.05	.07
.94	.46½	.13	....	Beattie Gold	600	.62	.68	.63	.68
.10	.04½	.....	....	Bidgood K.	4,000	.07	.07½	.07	.07½
.12½	.06	.....	....	Bobjo	6,900	.08	.08½	.08	.08½
.32½	.05	.....	....	Bonetal G.	8,400	.07	.07½	.07	.07
9.30	4.40	1.20	*17.2	Bralorne	3,005	6.85	7.20	6.50	7.10
.61	.21½	.06	....	Broulan P.	13,200	.34½	.38	.34	.38
2.80	.90	.....	....	Buffalo Ank.	800	1.40	1.40	1.35	1.40
.30½	.01	.....	....	Buff. Can.	30,500	.02½	.03½	.02½	.03½
12.50	5.00	3.00	....	Bulolo Gold	575	9.75	11.50	10.00	11.50
				C, D, E, F					
.49	.20	.08	20	Can. Mal.	5,325	.35	.40	.35	.40
1.72	.56	.15	....	Cariboo Gold	1,100	.75	.95	.80	.90
.05	.02	.....	....	Cen. Cadillac	2,000	.03	.03	.03	.03
1.30	.45	.15	....	Cen. Pat.	3,000	.72	.79	.70	.79
.10½	.04	.....	....	Cen. Porc.	1,500	.05	.05	.04½	.05
1.50	.36	.02½	....	Chesterville	7,600	.53	.60	.51	.60
2.95	1.20	.....	....	Chromium	487	2.60	2.75	2.50	275
.74	.44	.09	....	Coch. Will.	12,850	.59	.60	.54½	.60
.94	.36	.13	....	Coniaurum	2,700	.65	.65	.62	.65
.65	.26½	.06	....	Delnite	100	.38	.35	.35	.35
.06	.02	.....	....	Denison N.	1,300	.03	.03	.02	.02½
18.50	10.37	1.60	8.6	Dome Mines	2,495	16.00	18.50	16.00	18.00
2.24	.73	▾.05	....	East Mal.	22,850	1.05	1.15	.99	1.14
.70	.32	.....	....	Eldorado	3,875	.60	.65	.58	.65
3.60	2.20	†.15	....	Falconbridge	1,640	3.10	3.15	2.90	3.10
.02½	.01	.....	....	Federal	1,000	.02	.01½	.01½	.01½
.42½	.12	.....	....	Francoeur G.	6,800	.19	.19	.15	.19
				G, H, I, J					
.04	.01½	.....	....	Gillies Lake	1,000	.02	.03	.03	.03
.20	.08	.....	....	God's Lake	4,700	.12½	.12½	.11½	.12½
.11½	.06½	.02	....	Goldale	3,000	.07½	.08	.08	.08
.18	.12	.04	....	Gold Belt	500	.13½	.13	.13	.13
.10½	.02½	.09	....	Gold Eagle	66,000	.03	.02½	.02½	.02½
.18	.10	.02	....	Grandview	5,100	.10½	.12	.11½	.11½
.14	.07	.....	....	Gunnar Gold	2,700	.09½	.10	.09½	.09½
.55	.25	.06	....	Hard Rock	8,600	.40	.42½	.38	.42
.02½	.01	.....	....	Harker	700	.02½	.02½	.01	.01
.38	.17	.08	....	Hedley Mas.	3,400	.35	.38	.35	.38
10.50	5.70	.65	8.4	Hollinger	4,108	7.40	8.00	7.25	8.00
.20	.11	.02	....	Howey Gold	4,500	.14	.14	.14	.14
28.12	21.75	2.00	7.7	Hudson Bay	1,035	26.50	26.50	25.63	26.25
.01½	.01½	.....	....	Indian Mines	3,000	.01½	.01½	.013	.01½
.31	.12	.....	....	Inspiration	900	.25	.20	.19	.20
.30	.08	▾.04	....	Jason Mines	3,350	.16	.16	.11½	.13
				K, L, M					
4.40	2.85	†.25	....	K. Addison	30,110	3.75	4.20	3.75	4.10
.62	.29	.06	....	Kirk. Lake	8,170	.47	.51	.48	.50
.25	.15	.....	....	Koot. Belle.	2,000	.20	.19	.19	.19
.59	.31	.02	....	L. Dufault	4,400	.33	.35	.31	.33
12.00	6.35	.80	9	Lake Shore	1,555	8.40	9.35	8.25	9.35
4.15	2.78	†.30+.25	.	Lamaque G.	1,933	3.15	3.30	3.10	3.30
.09	.03	.....	....	Lapa Cad.	1,000	.06	.06	.06	.06
.60	.38	.08	....	Leitch Gold	7,800	.56	.59	.53	.59
1.35	.54	†.10	....	Little L.L.	2,900	.74½	.76½	.73	.76½
2.85	1.37	.30	....	Macassa	9,610	1.95	2.05	1.86	2.03
1.68	.82	▾.10	....	MacLeod C.	11,540	1.22	1.36	1.14	1.35
.54	.30	.03	....	Mad. R. L.	26,750	.48½	.52	.46	.52
2.22	.98	▾.10	....	Malartic G.	27,515	1.50	1.63	1.42	1.63
.00½	.00½	.....	....	Man. & East.	500	.00½	.00½	.00½	.00½
45.[illegible]	33.00	3.33	*8.4	McIntyre	810	38.87	41.00	38.75	41.00
1.04	.43	.12	19	McK. R. L.	11,465	.64	.68	.61	.68
.11	.06½	.....	....	McWatters	2,500	.09	.08½	.08	.08½
1.40	.85	.....	....	Mining Corp.	2,400	1.04	1.10	1.01	1.08
.30	.18	.05	....	Moneta	100	.25	.24	.24	.24
				N, O, P, Q					
.23	.06½	.....	....	Naybob	32,600	.06½	.09	.06½	.08½
52.00	35.75	4.00	10.4	Noranda	1,720	39.50	39.50	37.50	39.50
.25	.14	.....	....	Nor. Canada	920	.15	.15	.15	.15
.90	.48	.....	....	Normetals	10,124	.79½	.80	.76	.80
.91	.34	.03	....	O'Brien	6,310	.47	.53	.47	.52
.10	.05	.....	....	Omega	1,800	.08	.09	.08½	.08½
.16	.06½	.....	....	Ont. Nickel	60,900	.13½	.14	.12½	.13
.90	.30	.08	....	Pamour	1,315	.50	.50	.45	.50
.02	.00½	.....	....	Partan. M.	21,000	.01	.01	.00½	.00½
3.00	2.00	.40	....	Pato C. G.	2,155	2.25	2.35	2.25	2.25
.00½	.00½	.....	....	Pawnee K.	1,000	.00½	.00½	.00½	.00½
.19	.10	.02	....	Paymaster	800	.15½	.15	.15	.15
1.75	.85	.06	....	Pend Oreille	3,650	1.05	1.14	1.05	1.05
1.35	.41	.16	22.8	Perron Gold	15,700	.70	.75	.70	.75
2.35	1.00	.30	20.1	Pickle Crow	5,200	1.50	1.60	1.45	1.55
2.20	.93	†.33	....	Pioneer G.	2,500	1.25	1.27	1.18	1.26
5.50	4.25	.50	....	Placer Devel.	1,000	5.50	6.50	6.50	6.50
.78	.30	.02	....	Powell R.	1,500	.41	.45	.42	.45
.60	.30	.07½	....	Premier G.	7,950	.50	.52	.49	.52
3.20	.97	.20	13.7	Preston E.	29,300	1.40	1.54	1.33	1.54
.47	.17½	.12+.01	..	Privateer	2,000	.25	.27	.26	.27
.20	.12	.....	....	Prospect. A.	500	.12	.15	.15	.15
.25	.15	▾.02	....	Quebec Gold	100	.20	.20	.20	.20
.39	.08	.....	....	Queenston G.	2,067	.22	.23	.22	.22
.06	.02	.....	....	Quemont	20	.04	.02	.02	.02
				R, S, T					
.50	.20	.....	....	Reeves-McD.	1,660	.26	.35	.30	.30
.23	.02½	.20	....	Reno Gold	17,500	.08½	.08½	.08½	.08½
.03	.01	.....	....	Roche L. L.	500	.02½	.02½	.02½	.02½
2.05	1.15	.20	*12.7	San Antonio	7,524	1.50	1.68	1.42	1.68
.02½	.00½	.....	....	Sand River.	1,000	.01	.01½	.01½	.01½
.19	.09	.....	....	Senator R.	5,500	.16	.18	.16	.18
.84	.54	.20	....	Sheep Creek	2,100	.72	.73	.69	.73
.98	.55	.10	....	Sherritt G.	2,690	.65	.65	.63	.63
6.00	3.80	.60	12.6	Sigma Mines	2,120	4.30	4.75	4.25	4.75
.50	.23	†.05	....	Siscoe	6,000	.33	.36	.33	.36
.34	.13½	.....	....	Sladen Mal.	5,800	.23	.24½	.20	.24½
.06	.01	.....	....	Slave Lake	5,500	.02½	.02½	.02½	.02½
.04	.01½	.....	....	St. Anthony	1,500	.01½	.02	.01½	.02
1.96	.87	.....	....	Steep Rock	100,970	1.36	1.67	1.35	1.56
.13½	.05	.02	....	Sturgeon R.	700	.05	.08	.08	.08
1.70	1.05	.02½	....	Sud. Basin	500	1.35	1.29	1.15	1.29
.65	.37	.09	....	Sullivan C.	2,700	.55	.55	.54	.55
1.98	.97	.20	16.6	Sylvanite	6,300	1.20	1.25	1.19	1.25
2.34	1.18	.40	25.6	T. Hughes	5,948	1.55	1.65	1.50	1.62
.03½	.02½	.....	....	Temiskaming	500	.03½	.03½	.03½	.03½
.50	.23	.....	....	Trans. Res.	5,600	.28	.36	.29	.33
				U, V, W, Y					
.06½	.01	.....	....	Uchi Gold	3,700	.06½	.06½	.06½	.06½
1.24	.41	.10½	....	Upper Can.	18,100	.71	.78	.68	.78
5.00	2.90	.25	....	Ventures	860	3.85	4.10	3.90	4.10
4.80	3.00	.40	....	Waite Am.	3,786	3.45	3.40	3.00	3.00
.02½	.00½	.....	....	Wellington	1,000	.01½	.01½	.01½	.01½
.04½	.01½	.....	....	Whitewater	14,500	.03	.03½	.02½	.03½
2.90	1.75	.40	16.9	Wright-Har.	10,415	2.25	2.50	2.20	2.50
.05½	.02½	.....	....	Ymir Girl.	5,500	.05½	.05½	.05½	.05½

Oil Stocks

Range 1942 High	Low	Div. Rate $	Nov. 21 Yield %	Company	Sales	Last Nov. 16	Week Ending Nov. 23 High	Low	Close
.07½	.05	.....	....	Alta. Pac. C.	1,500	.06	.07	.07	.07
.16	.08	.....	....	Ajax	100	.13	.15	.15	.15
.03	.02	.....	....	Anaconda	1,400	.02½	.02	.02	.02
.56	.32	.04	....	Anglo Can.	100	.40	.40	.40	.40
.29	.09	.....	....	Br. Dom.	11,200	.23	.23	.22½	.23
1.20	.78	.10	....	Calg. & Ed.	2,200	1.00	1.03	1.00	1.00
.18	.10	.....	....	Calmont	1,300	.16	.17	.16	.16
.17½	.07	.01	....	Davies Pete	500	.09	.09	.09	.09
.04	.01½	.....	....	East Crest.	3,000	.02½	.02½	.02	.02
2.70	2.00	.15	....	Home	1,315	2.25	2.35	2.20	2.20
.07	.02	.....	....	Homestead	2,500	.02	.02½	.02	.02½
.01½	.01	.....	....	Marjon	1,000	.01	.01½	.01½	.01½
.04	.02½	.....	....	McD. Segur	2,000	.03½	.03½	.03½	.03½
.08½	.03½	.....	....	Mercury	1,000	.04½	.04½	.04½	.04½
.05	.02½	.....	....	Nordon	1,500	.04	.04	.03½	.04
.08	.01½	.....	....	Oil Select.	1,000	.02½	.02½	.02½	.02½
.40	.20	.02	....	Okalta	1,000	.27	.30	.30	.30
.04½	.02	.....	....	Pacalta	27,500	.03	.03½	.03	.03½
.25	.14	.....	....	Pacific Pet.	10,000	.18	.15½	.15½	.15½
19.75	16.00	1.00	5.4	Royalite	91	18.00	19.25	18.00	19.25
.05	.02	.....	....	South End	2,000	.03	.02½	.02½	.02½
.09½	.06	.03	....	Sunset	1,000	.07½	.07	.07	.07
1.60	.70	.....	....	Texas Can.	100	.70	.76	.76	.76
.05	.04	.....	....	Vanalta	3,700	.04½	.04½	.04½	.04½
.13	.05½	.....	....	Vermilata	25,000	.08½	.09½	.08½	.09

* Yield including bonus. † Paid in 1942 to date. ▾ Paid in 1941.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Nov. 24	12,300	13,100	238,000	......
Nov. 23	10,500	6,000	245,000	......
Nov. 21	4,500	1,300	125,000	7,400
Nov. 20	10,700	4,900	176,000	10,500
Nov. 19	9,800	2,200	144,000	29,445
Nov. 18	7,600	4,500	188,000	25,150

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Nov. 25, 1942

%	Due	Bid	Ask.	Approx. Yld.
Dominion of Canada Bonds				
2½	June '43	100½	101½	...
5	Oct. '43	103	103½	1.15
3	June '44	100½	101½	1.24
1½	Sept. '44	99½	100½	1.42
2½	Jan. '44	100	100½‡	...
4½	Oct. '44	105½	105½	1.38
2½	Nov. '45	101½	102½	1.42
a2½	Aug. '45	100	‡100½	b1.85
4	Oct. '45	102	102½	b1.11
2	Mar. '46	100½	101½	1.50
2	Dec. '46	99½	100	2.00
4½	Feb. '48	107½	108½	1.84
2½	Mar. '48	99½	100	2.25
1½	May '48	99½	100	1.75
3½	June '49	102½	103½	b2.22
3½	Oct. '49	102½	103	b1.90
3½	Nov. '51	101½	102	b2.88
3½	Feb. '52	102½	102½	‡2.88
a5	May '52	101½	102	b
4	Oct. '52	105½	106½	b2.58
a3	June '51	100½	101	2.97
3	Oct. '52	99½	100	3.00
a3	Nov. '56	99½	100	3.06
3	June '55	99½	99½	3.01
4½	Nov. '56	106½	107	b2.71
a3	Mar. '54	99½	100	3.07
4½	Nov. '57	107½	107½	b2.85
3	June '58	99½	99½	3.02
4½	Nov. '58	107½	108½	b2.94
4½	Nov. '59	108½	109½	b2.99
a4	Oct. '60	106½	‡107½	b2.98
a3½	Jan. '61	101½	102½‡	3.05
3½	June '66	100½	101½	b3.12
a3e	Jan. '67	97½	98½	3.12
a3e	Nov. '68	97½	98½	3.12
†3	Perpet'l.	93½	94½	3.18
Dominion Guarant'd Bonds				
Can. Natl. Railways:				
2	Feb. '43	100½	100½	...
2½	Jan. '46	100½	101½	1.84
3	May '44	102	102½	1.27
3	Dec. '50	99½	100½	2.83
3	Jan. '59	98½	99½	3.04
*4½	Sept. '51	117½	118½	2.16
*4½	Feb. '56	119	120	2.72
4½	July '57	119½	120½	2.83

%	Due	Bid	Ask.	Approx. Yld.
3	Feb. '53	99½	99½	3.03
4½	June '55	121½	122½	2.66
5	Feb. '54	117½	118½	3.07
*5e	July '69	118	...	...
*5e	Oct. '69	122½	123½	b1.97
*5e	Feb. '70	122½	124	b2.05
Can. Nat. W. Ind. S. S.:				
*5	Mar. '55	122½	123½	2.74
Provincial Gov't Bonds				
Grand Trunk Pacific Rly.:				
3	Jan. '62	104	...	...
New Brunswick:				
3	Oct. '51	94½	96½	3.45
3½	Aug. '49	96	98	3.57
3½	June '56	96	98	3.68
c4	Nov. '47	109½	111	b.41
c4½	Apr. '61	110	113	3.53
c5	Jan. '60	113	115	3.82
Nova Scotia:				
2	Jan. '52	98	99½	2.06
3½	June '56	99½	101	3.16
3½	Nov. '50	101	102½	3.16
c4½	Sept. '52	112	113	b1.73
c4½	Nov. '60	115	117	3.25
c5	Mar. '60	120	122	3.33
Ontario:				
2½	May '45	100	101	2.11
3	Apr. '48	100	101	b2.71
3	Nov. '50	99	100	b3.00
3½	Nov. '51	100½	101½	b3.05
3½	May '55	100½	101	b3.10
*4	June '62	115	117	2.88
4½	June '50	108½	110	3.04
*4½	Jan. '62	119	121	3.06
5	Oct. '48	109	110	3.16
*5	Dec. '60	125	127	3.04
5½	July '46	108	109	2.94
Ont. Hydro Commission:				
3	Aug. '48	100	101	b2.74
3½	Feb. '53	100½	101½	b3.06
3½	Apr. '47	102	103	2.77
Prince Edward Island:				
4	Mar. '54	102	104	3.57
Quebec:				
3	Nov. '47	99	100	3.00
3½	Mar. '48	99½	100½	3.20

%	Due	Bid	Ask.	Approx. Yld.
3½	Mar. '59	98½	99½	3.54
4	Nov. '52	102½	103½	b3.40
3½	Feb. '55	100½	101½	b3.53
4½	Aug. '56	106½	107½	3.82
4½	Jan. '63	110	112	3.88
Alberta:				
4½	Oct. '56	74	77	d
4	Dec. '34	73	76	d
*5	Oct. '59	75	78	d
c5½	Apr. '52	76	79	d
6	Mar. '47	77	80	d
British Columbia:				
4	Dec. '57	107	...	...
*4½	Jan. '51	111½	113	2.94
c4½	Oct. '53	111	113	3.19
c5	Apr. '54	114½	116½	3.27
5½	Feb. '45	104	105	1.77
6	Feb. '47	109½	111	2.21
Manitoba:				
c4	Dec. '57	101	103	3.73
c4½	Dec. '56	103½	105	4.03
*5	Dec. '59	107	109	4.23
5½	Oct. '55	109½	111½	4.33
6	Apr. '47	107	109	3.80
Saskatchewan:				
4	Sept. '54	82	85	5.78
4	Nov. '60	82	84	5.49
c4½	Oct. '51	92½	94½	5.27
c4½	Mar. '60	88½	91	5.30
5	Aug. '58	90	92	5.77
5½	Oct. '52	96½	98	5.77
6	Mar. '52	99	100½	5.93

*-Payable Can., N.Y. and £. b-Calculated to call date giving lowest possible yield. c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds. ♦-Calculated at 1950 average maturity. ▪-Callable on or after earliest maturity shown and payable at maturity at 101.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Nov. 24, 1942

	Bid	Ask.
Industrial:		
Acme Farm., pf.	57	..
Andian National	18	21
Anglo C. Tel., A	7	7½
Atlas Steels, c.	19	22½
Do., pref.	102	..
B. C. Pulp, c.	9½	10½
Do., pfd.	64	66½
B. C. Sugar	57	60
B. C. Tel. p.	101	..
Brown, com.	1½	1½
Do., pfd.	20	22
Burns & Co., A.	5	7
Do., B.	3	4½
Can. Airways	1½	2
Can. Indust. A.	146	150
Can. Co-op. Wool	8	9½
Can. Mach. c.	7½	10
Can. Ing. Rand.	60	63
Can. Mot. L.A.B.	6½	8
Cap. W. Cloth	4½	..
Do., pref.	18	..
Chase A. W., p.	17½	20
Colonial Steam.	40	46
Corr. Pap. Box c	1	2½
Do., rgts.	6	8½
Dunlop T. p. $25	16	18
Easy Wash. p $10	8½	10½
Galt Brass, c.	10	12
Goderich Elev.	7½	8½
Guard. Realty, p.	11	14
Guelph Carp., c.	14	18
Gurney Fdry., p.	1	1½
Hayes Steel, c.	13½	15½
High. Dairy	..	1½
Do., pref.	..	46
Inglis, John	6½	7½
Ingram & Bell p	88	..
Kingst. Ship., c.	11½	..
Loblaw Inc. c.	11	12½
Minn.&Ont. P. c.	3½	3½
Mt. Royal H. c.	2½	3½
Morrison Br. un	5	6½

	Bid	Ask.
M'row Screw p.	100	103
Do., com.	14	13
Neilson, c.	10	..
Neilson, Wm. p.	101	..
N. Meth. Ldy. p.	72	..
Ont. Tobacco, p.	17	19
Prov. Paper, pf.	90	95
Quinte Milk	2½	3½
Stand. Fuel, p.	47	51
Do., com.	1	1½
Stedman, pf. $50	54	57
River Silk B	1½	..
Sutton Horsley	1	1½
Tor. Carpet c.	66	..
Un. F. Co-op.	3	5
Un. Steel, A. pf.	23	24½
Viceroy Mfg. c.	12	..
Trust & Loan Stocks:		
British Mtge.	112	122
Brockville Tr.	43	..
Cap. Trust	28	31½
Comm. Fin., co.	5	7
Grey&Br.Tr. $50	42	..
Guaranty Trust.	100	102
Guelph & O. $50	50	52½
Indust. Mtge.	24	28
Lambton Loan	33½	..
Midland Loan	13	15½
Premier Trust	23	26½
Sherbrooke Tr.	120	..
Sterling Trust	50	53
Th. Can. Inv. Tr.	1½	1½
Trad. Fin. A pf.	51	..
Trusts & Guar.	28	30½
Victoria Trust	65	70
Waterloo Trust	99	..
Insurance Stocks:		
Brit. Amer.	50½	54
Canada Life	310	327½
Canadian Fire	75	78
Confed. 30% pd.	125	130

	Bid	Ask.
Cons. Fire	3½	..
Continental L.	29	32½
Crown Life	250	265
Dominion Fire	133	138
D. of Can. Gen.	120	128
Empire, 25% pd.	4	5½
Excelsior 40% pd	64	69
Fed. Fire 25% pd	50	52½
Great-West Life	208	220
Halifax Fire	14½	15½
Imperial Life	240	265
Manufac. Life	214	222
Monarch Life	30	34
National Life	7½	9½
Sov. L. 25% pd.	11	12
Sun Life	220	240
Tor. General	4½	5½
Wellington Fire.	58	..
Western Assce.	35	37
Do., pref.	40	42½
Theatre Stocks:		
Allen's St. Cath. units	52½	55
Do., Kingston.	61½	64
Do., Toronto p	32	34
Mansf. Theat., p	35	..
Para. Kitch. p.	48	..
Do., Oshawa, c	7	9
Investment Trust Shares:		
Sec's. Hold. pf.	17½	20
United Corp., A	20	22½
Do., B	4½	4½
Power Issues:		
Can. W. N. Gas	25	..
Do., pfd.	104	107
Gt. Lakes Pr., p	100	104
Int. Util. $1.75 p	6	9
Do., $3.50 p	23	..
Mtl. Is. Pwr. p.	40	..

Unlisted Mines

Toronto, November 24, 1942

	Bid	Ask
Albany R (old)	.01	.04
(new)	.04	.08
Amal Kirk	.04½	.06
Anoki	.02	.03
Aquarius	.06	.10
Arjon	.02	..
Armistice	.04	..
Argosy	.02	..
Area	.04	.06
Arntfield	.00½	.01½
Barb Lard	.01½	.02½
Brock	.04½	.06
Clift Cons	.19	.21
Can Rad	.03	.06
Cent Man	.01½	.02½
Cheminis	.02	.03
Columb	.22	.24
Cons Chib	.03	.05

	Bid	Ask
Delpine	..	.03
De Santis (new)	.02	.03
Dona Pat	.00½	.01½
Eastward	.05	.10
Elmos	.03	.06
Franco	.18	..
Goodrock	.25	.27
Hayes Cad	.01½	.02½
Hoyle (new)	.07	.08
Hugh P P	.03	.03
Kirk Twn	.04	..
Lacoma	.00½	.01
Laguerre	.03	.05
L Geneva	.04	.06
Low Pete	.11	..
Magnet C	.23	.26

	Bid	Ask
Magnet L	.06	..
Maj Mica	.28	.30
Maj Mol	.19	.21
Martin B	.02	.03
Mat Can	.01	.04
Mat Cons	.08½	.12
McMarm	.12	.13½
Moffatt H	.01	.02
Mosher	.06	..
McManus	.00½	.01½
Nat Mal	.15½	.17½
Nick Off	.85	1.15
Norbeau	.12	.17
North Tin	.15	.17
Oklend	.03	.04
O'Lea Mal	.02	.03
Opemiska	.04	.06
Orpit	.01½	.02½

	Bid	Ask
Pascalis	.14	..
Pontiac R	.01	.04
Port Cold	.22	.25
Prop'ary	3.70	..
Presdor	.02	.03
Que Man	.19	.22
Rand Mal	.11	.13
Ritoria	.01	.02
S.A.G.A.	..	.25
Sheldon	.05	..
Springer	.12½	.14
Stadacona	.04	..
Tombill	.15	.16
Tomah'k	.80	.85
Thoms Lk	.07	.10
Union Min	.02	.03
Wesley	.00½	.01
Young D	.20	.22

Dividends Declared

	This payment $	Date payable	Date of record
Agnew Surpass, pf.	1.75	Jan. 2	Dec. 15
Anglo-Can. Tele. A.	.15	Dec. 1	Nov. 14
Aunor Gold	.04	Dec. 1	Nov. 16
Aluminium, c.	2+2	Dec. 5	Nov. 14
Do., pref.	†1.50	Dec. 1	Nov. 7
Asbestos Corp.	.20	Dec. 30	Dec. 1
Do., bonus	.30	Dec. 30	Dec. 1
Amer. Cyan. A, B	*.15	Jan. 2	Dec. 12
Anglo-Huronian	.10	Jan. 22	Jan. 8
Bk. of Montreal	1.50	Dec. 1	Nov. 16
Bank of Toronto	2.50	Dec. 1	Nov. 14
Bk. Can. Nat'le	1.50	Dec. 1	Nov. 14
Beatty Bros. A	.25	Jan. 2	Dec. 15
Do., 2nd pref.	3.50	Jan. 2	Dec. 15
Bank of N. Scotia	2.50	Jan. 2	Dec. 16
Bathurst Pwr. A.	.25+.25	Dec. 1	Nov. 6
Barber-Ellis, c.	.12½	Dec. 15	Nov. 30
Beattie Gold	.03	Dec. 23	Nov. 28
Belding Cort.	1	Jan. 2	Dec. 15
Do., pref.	1.75	Jan. 2	Dec. 15
Berens River M.	.03	Dec. 15	Nov. 20
Blue Top Brew. A.	.30	Dec. 31	Dec. 15
Bright, T. G. pf.	1.50	Dec. 15	Nov. 30
Bruck Silk	.10	Dec. 21	Nov. 28
Canada Bud	.20	Dec. 14	Dec. 7
Canada Cement, pfd.	1.25	Dec. 15	Nov. 30
Can. Cottons	1.00	Jan. 2	Dec. 5
Do., pref.	1.50	Jan. 2	Dec. 5
Canada Vinegars	.10	Dec. 1	Nov. 16
Do., bonus	.10	Dec. 1	Nov. 16
Coniaurum Mines	.03	Dec. 23	Nov. 28
Can. & Dom. Sugar	▪.20	Dec. 1	Nov. 14
Can. Wire & Cable, A	♦1	Dec. 15	Nov. 30
Do., B	.50	Dec. 15	Nov. 30
Do., pref.	1.62½	Dec. 15	Nov. 30
Can. Ind. Alc., A B	.25	Dec. 1	Nov. 6
Canadian Oil, c.‡	.20	Dec. 15	Dec. 1
Canada Dry	†.15	Dec. 11	Nov. 25
Can. Breweries, p.	.85	Jan. 2	Dec. 15
Can. Bakeries, pfd.	1.25	Dec. 1	Nov. 17
Corr. Paper Box, pf.	1.75	Dec. 1	Nov. 14
Can. Fairbanks c	.25	Dec. 1	Nov. 16
Can. Foundries A	.37½	Dec. 16	Dec. 1
Do., (B)	1.50	Dec. 18	Dec. 1
Can. Cr. Stone	.10	Dec. 15	Dec. 1
Can. Perm. Mortge.	2	Jan. 2	Dec. 15
Can. Gen. Elec.	2	Jan. 2	Dec. 15
Can. W. Nat. Gas p.	1.50	Dec. 1	Nov. 13
Cockshutt Plow	.25	Dec. 1	[illegible]
Do.,	.25	June 1 '43	May 15
Can. Int. Inv. Tr. pf.	▪.50	Dec. 1	Nov. 16
Confederation Life	1.50	Dec. 31	[illegible]
Can. Malartic G.	.02	Dec. 23	[illegible]
Cap. W. Cloth, pf.	.37	Dec. 1	[illegible]
Cariboo Gold	▪.02	Jan. 2	[illegible]
Catelli Food, p.	.37	Nov. 30	[illegible]
Chart. Trust	1	Jan. 2	[illegible]
Chesterville L.	.02½	Dec. 22	[illegible]
Cons. Div. Secs. p	.37½	Dec. 15	[illegible]
Crow's Nest Coal	1.50	Dec. 2	[illegible]
David & Frrere, A.	.25	Dec. 31	[illegible]
deHavilland Air. p.	1.75	Dec. 15	[illegible]
Do., arrears	1.75	Dec. 15	[illegible]
Distillers Seag.	55½	Dec. 15	[illegible]
Do., pref.	†1.25	Feb. 1	Jan. [illegible]
Delnite Mines	.03	Nov. 30	[illegible]
Dom. & Ang. Inv. p.	1.25	Dec. 1	[illegible]
Dom. Envelope, pf.	1.75	Dec. 1	[illegible]
Dome Mines	▪.40	Jan. 20	[illegible]
Dom. Textile	1.25	Jan. 2	[illegible]
Do., pref.	1.75	Jan. 15	[illegible]
Dom. Scot. Inv. p.	.50	Dec. 1	[illegible]
Eng. Electric A	.63	Dec. 15	[illegible]
Eastern Steel	.25	Dec. 1	[illegible]
Falconbridge Nickel	.10	Dec. 22	[illegible]
Gatineau Pwr.	.15	Dec. 31	[illegible]
Do., 5½% pref.	1.38	Jan. 1	[illegible]
Do., 5% pref.	1.25	Jan. 1	[illegible]
Gen. Stl. Wares	.20	Dec. 1	[illegible]
Granby Cons.	▪†.15	Dec. 1	[illegible]
Gt. Lakes Pap. A. B.	.75	Dec. 31	[illegible]
Grouped Inc. Shs. A.	.10	Nov. 30	[illegible]
Hallnor Mines	.10	Dec. 1	[illegible]
Honey Dew	.50	Jan. 2	[illegible]
Hard Rock G.	.03	Dec. 23	[illegible]
Hinde & Dauch	.25	Dec. 21	[illegible]
Hollinger Cons.	.05	Dec. 2	[illegible]
Hudson Bay M. & S.	1.00	Dec. 21	[illegible]
Huron & E. Mtge.	1.00	Jan. 2	[illegible]
Imperial Oil	.25	Dec. 1	[illegible]
International Pete	.50	Dec. 1	[illegible]
Inter. Nickel c.	†.50	Dec. 31	[illegible]
Imp. Varnish	.12½+.10	Dec. 1	[illegible]
Do., pref.	.37½	Dec. 1	[illegible]
Indust. Accept. A.	.25	Dec. 31	[illegible]
Do., pref.	1.25	Dec. 31	[illegible]
Island Mtn. M.	.05	Dec. 28	[illegible]
Lake Shore M.	.20	Dec. 15	[illegible]
Lake of W. Mill.	.30	Dec. 1	[illegible]
Do., pref.	1.75	Dec. 1	[illegible]
Langley's pfd.	▪.50	Dec. 11	[illegible]
Lang, J. A.	.17½	Jan. 2	[illegible]
Laura Secord	.20	Dec. 1	[illegible]
Loblaw Groc. Inc.	†.25	Dec. 1	[illegible]
Lob. Gr. A. B.	.25+.12½	Dec. 1	[illegible]
Louisiana Land†	.10	Dec. 15	[illegible]
McK. R. Lake	.03	Dec. 15	[illegible]
Mitchell, Robt.	1.00	Dec. 15	[illegible]
Maclaren Pwr.	.25	Nov. 30	[illegible]
Melchers Dist. pf.	.30	Dec. 15	[illegible]
McIntyre Porc.	.55½	Dec. 1	[illegible]
Do., extra	1.11	Jan. 2	[illegible]
MacL. Cockshutt	.10	DDec. 23	[illegible]
Macassa Mines	.06	Dec. 15	[illegible]
Montreal Loan	.31¼	Dec. 15	[illegible]
MacKinnon Stl. pfd.	1.25	Dec. 15	[illegible]
Magnet Cons.	.03	Dec. 14	[illegible]
Montreal Cottons	1	Dec. 15	[illegible]
Do., pref.	1.75	Dec. 15	[illegible]

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$10.11	10.00	8.60
Hogs	16.42	16.44	14.76
Copper, lb.	*.12	.12	.12
Cotton, lb.	.2018	.2021	.1739
Sugar, raw, lb.	*.0374	.0374	.0350
Wheat, Man. (bu.)	.90½	.90½	.74½
Coffee, lb.	*.09⅝	.09⅝	.09⅝
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	100.1	99.7	92.3
Dow Jones (fut.)	85.05	85.01	80.13
Wood Gundy	78.8	78.8	74.5
Fishers	108.5	108.5	98.8
Monthly Indices			
Canada (D.B.S.):			
Retail (Oct.)	117.8	117.4	113.3
W'sale (Oct.)	96.8	96.0	94.0
U. S. (Sept.)	99.5	99.2	91.8
Gt. Brit. (Sept.)	159.7	159.9	134.3

Note—The base of indices is that 1926 equals 100. ¶Base 1935–39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price Toronto. Copper — electrolytic, New York. No. 7 coffee, Rio. Sugar—96 degree centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis. *Ceiling prices fixed by the office of Price Administration.

Investment Trusts

	Bid	Asked
Affiliated Funds	2.02	2.21
Can. Int. Trust	3.50	4.25
Can. Invest. Fund	3.10	3.40
Can. Investors	4.25	5.00
Corp. Investors	5.00	5.50
Trans-Canada	2.70	2.80

Dividends Declared (Cont.)

	This payment $	Date payable	Date of record
Nat. Grocers, pf.	.37½	Jan. 1	Dec. 15
Nipissing Mines	▪.10	Dec. 22	Dec. 2
North. Emp. M.	▪.10	Dec. 23	Nov. 27
Nat. Biscuit, pref.	†1.75	Nov. 30	Nov. 13
Noranda Mines	1.00	Dec. 15	Nov. 14
N. S. Light & Pr. p.	1.50	Dec. 1	Nov. 14
Nan. Dun. Util. p.	.81½	Dec. 1	Nov. 14
Nat. Steel Car	.50	Jan. 15	Dec. 15
North Star Oil p.	.08¾	Jan. 1	Dec. 15
Ottawa Elec. Rly.	.20	Jan. 2	Dec. 15
Do., extra	.20	Jan. 2	Dec. 15
Ogilvie Flour, pref.	1.75	Dec. 1	Nov. 19
Ottawa L. H. & P.	.15	Jan. 1	Dec. 15
Do., pref.	1.25	Jan. 1	Dec. 15
Page Hersey	1.25	Jan. 1	Dec. 15
Paymaster Cons.	.02	Dec. 29	Dec. 9
Paramount Pict. pf.	†1.50	Dec. 29	Dec. 21
Do., com.	.15	Dec. 29	Dec. 21
Paton Mfg.	1.75	Dec. 15	Nov. 30
Do., pref.	.25	Dec. 15	Nov. 30
Pend Oreille	.02	Dec. 31	Dec. 15
Perron Gold	.04	Dec. 31	Dec. 15
Pickle Crow	.10	Dec. 31	Dec. 15
Pato Cons. Gold	.20	Dec. 31	Dec. 15
Preston E. Dome	.05	Jan. 15	Dec. 15
Provincial Bank	1.00	Jan. 1	Dec. 15
Placer Develop.	.25	Dec. 15	Nov. 24
Real Est. Loan	.50	Jan. 2	Dec. 15
Regent Knit., c.	.25	Dec. 15	Nov. 30
Reliance Gr., pf.	1.62½	Jan. 15	Dec. 31
Do., arrears	1.62½	Jan. 15	Dec. 31
Riverside Silk, A.	.50	Jan. 2	Dec. 15
Rolland Paper, pf.	1.50	Dec. 1	Nov. 16
Royalite Oil	.25	Dec. 1	Nov. 13
Royal Bank	.25	Dec. 1	Oct. 31
Securities Hold., pf.	.50	Dec. 15	Dec. 1
St. Law. Corp. A	▪.50	Jan. 15	Dec. 21
Do., extra	.25	Jan. 15	Dec. 21
St. Law. Paper	▪.75	Jan. 15	Dec. 21
Do., extra	.75	Jan. 15	Dec. 21
Sigma Mines	.15	Dec. 21	Dec. 19
Siscoe Gold	.01½	Dec. 19	Dec. 1
Sherritt Gordon M.	▪.05	Dec. 19	Nov. 19
Sherwin Wms. pf.	.25	Jan. 1	Dec. 16
Stedman Bros.	.25	Jan. 2	Dec. 15
Do., pref.	.50	Jan. 2	Dec. 15
Stuart, D. A., Oil, p.	▪.25	Jan. 2	Dec. 15
Sylvanite Gold	.05	Jan. 1	Dec. 15
Toronto Elev., pfd.	.68	Jan. 2	Dec. 15
Tamblyn	.20	Jan. 2	Dec. 15
Do., pref.	.62½	Jan. 2	Dec. 15
Tombill Gold	.05	Jan. 2	Dec. 15
United Fuel A.	.75	Jan. 2	Dec. 15
Uchi Gold Equit.	.10	Nov. 30	Nov. 20
Upper Can. Mines	.05	Nov. 30	Nov. 20
United Amuse., A B	.40	Nov. 30	Nov. 16
Ventures	.10	Dec. 10	Nov. 19
Weston Geo. com.	.20	Jan. 1	Dec. 10
Waite Amulet	.10	Dec. 10	Nov. 17
Walker, Hiram	1.00	Dec. 15	Nov. 27
Do., pref.	.25	Dec. 15	Nov. 27
Walkerville Br.	.05	Dec. 15	Nov. 30
Wilsil	.25	Jan. 2	Dec. 15
Western Steel	.50	Jan. 2	Dec. 15
Wr.-Hargreaves	.10	Jan. 2	Dec. 15

▪Subject to approval of Foreign Exchange Control Bd. †N. Y. funds. Dividends Passed: Andian National.

*Plus 75c., payable in 3% pfd. stock in ratio of 1 pref. for each 13 1/3 sh. A or B held, payable Dec. 17/42 to holders of record Dec. 1-3d Nov. 30. Fractional sh. in cash.

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Nov. 23 Bid	Ask
A				
Abitibi pref. 7%	...	13½	..	13
Acme Glove	...	3	3	4
Do., pref.	6.50	48½	..	60
Agnew Surp.	.80+.20	11	11	..
Do., pref.	7	109	109	..
Alta. Pac. Gr., c.	..	.85	.75	1.00
Aluminium pref.	6	117	110	117
Amal. Electric	.50	6	..	6½
Amer. Cyn. B.	.60	37	33	..
Ang. Can. Tel. p.	2.75	40½	39	42
Assoc. T.&T.A.	...	1	..	1
Do., pref.	...	12	..	12
Ault & Wiborg	5.50	102½	103	..
B				
Bk. Can. Nat.	6	123½	122	..
Bk. N. Scotia	10	225	220	225
Barber Ellis	.47½	8½	6	..
Barker's Bread c.	...	.75	..	..
Bathurst Pr. (B)	...	1½	1	2
Beath & Sons	...	1½	1½	2
Beatty Bros. 2nd pf.	7	110½	110½	..
Beaver Lumber	...	3½	2½	4
Do., pref.	...	101	103	105
Belding Cort.	4+2	80	80	84
Do., pref.	7	116½	116	..
Bertram & Sons	.30+.10	6½	6½	6½
Biltmore Hats	.60	3½	3	4
Blue Ribbon c.	...	3½	3	3½
Brand, Hender.	...	[illegible]	[illegible]	[illegible]
Brant. Cord. pf.	1.30	22	22	24½
Bright, T. G.	6	90	90	..
Do., pref.	...	[illegible]	[illegible]	[illegible]
Bruck S. Mills	.40	4½	..	..
C				
Caldwell Linen	1.50	22½	21½	22½
Do., 1st pref.	...	[illegible]	[illegible]	[illegible]
Do., 2nd pref.	...	100	100	..
Canada Bread pref.	5.50	34	35	..
Do., pref (B)	2.50	5	4	..
Can. Cr. Stone	.40	105	104½	108
Canada Cycle, p.	5	17½	17½	..
Can. Forg. (A)	1.50	19½	17	..
Do., (B)	1.50	[illegible]	[illegible]	[illegible]
Can. Iron	...	8½	..	..
Do., pref.	.30	6	..	6
Can. Starch	7	113	106	..
Do., pref.	...	48½	50½	55
Can. W. Cable	1.20	19	18	..
Do. (B)	...	2.00	1.50	3.00
Can. Bakeries, c.	...	100	92	100
Can. Cottons c.	4+2	22	20	..
Can. Fairb. pf.	...	105	105½	..
Can. For. Inv. p.	8	205	151	204
Can. Gen. Elec.	8	34½	..	..
Can. Int. I. Tr.	2	[illegible]	[illegible]	[illegible]
Can. Lt. & Pr.	1	12	13	..
C. Tube & Stl., c.	...	6	4	..
Can. Vickers, pref.	...	22	21	..
C. Wallpaper A	1	9½	9	13
Do., (B)	1	9½	9	13
Can. West'house	2	34½	34	35
C. Wire Box	1.50+.50▲	17½	17½	18
Carnation pfd.	5	113	114	..
Celtic Knit	1.50	1.50	1.60	..
Cent. Can. L'n.	...	115	116	..
Chart. Trust	4	95	..	..
Chem. Research	...	.06	.05	.15
City Gas & El.	...	.05	.05	.20
Claude Neon	...	.10	..	.15
Comm. Alc., pref.	.40	6	..	6
Conduits Nat.	...	5½	4½	5½
Cons. Div. Sec.	...	10	10	1.00
Do., pref.	...	72	75	81½
Cons. Sand pf.	3.50	72	75	81½
Corr. P. Box p.	5	1.25	1.35	2.00
Crown Dom. Oil	...	29½	28	29½
Crow's N. Coal	3	50	..	..
Cub Aircraft	...	.45	..	..
D, E				
David & Fre. (B)	...	1.50	.50	1.50
deHavilland	...	85	75	..
Do., pref.	7+7▲	85	75	1.00
Disher Steel	...	1.05	.75	..
Do., pref.	...	75	..	..
Dom. Ang. Inv.	...	75	..	..
Do., pref.	5	75	..	..
Dom. Envelope c.	...	8	..	7½
Do., pref.	...	99½	..	99½
Dom. Found. pf.	6	105	107	110
Dom. Square	...	151	151	..
Dom. Textile, pref.	7	151	151	..

	Div. rate $	Last sale	Nov. 23 Bid	Ask
East Koot Pr.	...	.50	..	..
Do., pref.	...	7½	8½	12
East Dairies, pref.	...	.12½	..	12½
East Steel	1	11½	11½	..
East Theat.	...	6½	6	23
Economic Inv.	2	25	..	24½
English Elect. (A)	2.50	21	23	6
Equitable Life	.15	5½	5	..
F, G				
Fam. Players	1	16	14½	16
Federal Grain	...	.40	..	1.25
Fleury Bissell	...	.50	.50	..
Do., pref.	...	10	10	..
For. Pr. Secs.	...	.15	..	25
Freiman	...	55	55	..
Do., pref.	1.50	76	74	79
Gatineau Pwr. pref.	5	76½	76½	80
Do., 5½% pref.	5.50	.40	..	09
Do., Rights	...	2½	..	..
Gt. Lakes Pap.	...	5	..	20
Do., pref.	1.50	207	210	250
Gt. West Life	15	5	..	27
Gt. W. Saddlery	...	25	24	27
Do., pref.	3	101	98	..
Greening Wire	.60	70	..	..
Gurd Chas., pref.	...	[illegible]	[illegible]	[illegible]
H, I				
Halifax Fire	1	14½	..	14½
Ham. Cot., pf.	1	32	31	..
Ham. U. Theat.	...	.65	.65	1.40
Do., pref.	5	76½	70	.90
Hillcrest Coll.	...	21	.20	..
Hinde & Dauch	4.75	13	13	..
Holt Renfrew	...	45	40	..
Do., pref.	...	28½	30	..
Home Invest.	...	19	18½	20
Honey Dew	...	95	94½	..
H. Smith Pap., pref.	.50	6½	5	..
Humberstone S.	...	8	..	8
Hunts (A)	...	5	..	6
Do., (B)	...	50	50	..
Huron & E. Mt.	.80	7½	6½	..
Do., 20% pd.	1.00	..	..	1.10
Hydro Electric	...	..	..	275
Imperial Life	.50+.20	7½	7½	27½
Imp. Varnish	1.50	26½	26	27½
Do., pref.	...	8	7½	..
Inter-City Bak.	...	8	..	8
Inter'c Coal	...	120	..	15
Do., pref.	...	25	25	40
Int. Coal & Co.	6+5▲	87½	87½	87½
Int. Metal Ind., pf.	6+5▲	87½	87½	87½
Do., pref. A.	6	110½	111	..
Int. Mill., pf.	...	5	..	..
Int. Pap. & P.	...	52½	..	..
Do., pref.	...	5	..	..
Int. Power, c.	...	5	..	..
J, K, L				
Jam. Pub. Ser.	...	.68	13½	..
Do., pref.	7	101½	101	12½
Kelvinator	...	8½	8	..
Lake of Woods, pf.	7	115	115	118
Landed Bank	5	54	50	65
Lang, J. A.	.70+.30	12½	11	15
Legare, pref.	...	12	..	..
Levy Bros.	.10	21	21	..
Lindsay, C. W.	...	5	..	..
Do., pref.	...	51	50	..
M				
Mackenzie Air	...	1.00	..	..
Mackin Steel	5	60	55	..
Maritime Tele.	.80+.20	16½	..	..
Do., pref.	.70	15½	..	..
Marcus Loew's	2	17½	23	..
Do., pref.	...	95	98½	..
McColl Fron., pref.	6	86	87	90
Melchers, c.	...	1	..	1
Mercury Mills	...	1	..	1
Mitchell, J. S.	...	2.50	..	..
Mod. Contain.	...	1.20	..	..
Do., pref.	...	5.50	..	..
Monarch Knit.	...	5	..	..
Do., pref.	7	55	60	65
Montreal Cot., c.	...	65	60	66
Mont. Is. Pr.	...	25	..	..
Montreal Loan	1.25	130	135	..
Mtl. Refrig. & S. pf.	1.25	165	165	173
Moore Corp. pf. (A)	7	165	165	173
Do., pref. (B)	7	248	..	..
Muirheads	...	.15	..	.25
Do., pref.	...	[illegible]	[illegible]	[illegible]

	Div. rate $	Last sale	Nov. 23 Bid	Ask
N, O				
Nat. Grocers, c.	.40	5½	6½	7
N. Sew. Pipe A	...	8½	8½	9½
National Tr.	8	123	120	125
Niag. W. Weav.	1.75	12	12	15
North Star Oil	...	.60	.55	.90
Do., pref.	.35	3½	3½	3½
Nor. Can. Mtge. un.	...	5½	5½	..
North. Mtge.	.50	.75	.75	..
North. Trusts	6	78	78	83
N.S.L. & Pr., c.	7	151	149½	..
Ogilvie Flour, pref.	...	[illegible]	[illegible]	[illegible]
Ont. Silknit	3	34	32	38
Do., pref.	7	110	110	115
Do., Scripts	...	.50	.50	..
Ont. Steel, pref.	7	82	80½	..
Orange Crush, c.	...	[illegible]	[illegible]	[illegible]
Ott. L.H. & Pr., pf.	5	[illegible]	[illegible]	[illegible]
P, Q				
Paton Mfg.	4	30½	34	50
Do., pref.	7	113	111	..
Penmans	3	38	36	42
Do., pref.	6	126	120	..
People's Cr. Sec.	.25	5	5	4½
Photo Eng.	...	11	11	12
Porto Rico Pr. p.	7	97	98	..
Pressed Metals	...	[illegible]	[illegible]	[illegible]
Prov. Transport	.40	5½	5½	6
Que. Telephone	...	4	4	..
R				
Real Estate L'n	2	24	25	..
Regent Knit, pref.	1.60	18	17½	21
Reliance Grain	...	3½	3½	..
Rolland Pap., c.	.60	7	6	7½
Russell Indust., c.	.80	12½	12½	15½
S				
Sangamo	1	24	..	34
Sarnia Br. (A)	...	7	7	9
Do., (B)	...	2	2	2
Scythes & Co.	1+.50	15	14½	19½
Do., pref.	1.75	24½	25	..
Sher. Wms.	1	15	14	..
Do., pref.	7	111	110	114
Silverwoods, c.	.40	8	..	8
Simon & Sons	.60+.15	8½	8½	9½
Do., pref.	7	103	102	..
Simpson A.	...	6	..	..
Simpson R., pf.	6	135	132	..
St. Law. Fl., pref.	7	115	115	..
Stand. Chem.	1.25	12	9½	12
Stand. Clay	...	1	1	2
St. Pav. & Mat., pf.	.31½	5	4	6
Stedman Bros.	.60+.60	15	15	16
Stop & Shop	...	2	..	20
Stuart, D. A., pf.	.80+.25	11½	10	11
Supersilk, H. A.	...	3	..	..
Do., (B)	...	..	..	8
Sup. Pete. Ord.	1+.25	18½	18½	..
Do., com.	1+.25	18½	18½	..
T, U, V				
Tamblyn, pref.	2.50	52½	52½	..
Thayers	...	1.25	1.25	..
Do., pref.	3.50	16	18	35
Thrift Stores, c.	...	21	..	21
Do., pref.	...	15	14½	15
Tip Top Tailors	.52½	10	..	..
Do., pref.	7	96	95	..
Tor. Elevators	2.62½	50	49½	..
Tor. Gen. Tr.	4	50	60	68
Traders Bldg.	...	44	45	155
Tuckett Tob., p.	7	151	151	..
Twin City	...	3.50	3½	..
Do., pref.	...	21	21	..
Un. Amuse., A.	.80	13½	13	..
Do., (B)	.80	13½	13	..
United Distill.	.10	1.05	1.25	1.75
United Secs.	...	3	..	..
W, Y, Z				
W. Koot. Pr. p.	7	136	135	..
West C. Flour pf.	...	27	27½	30
West. Grain p.	...	48	50	..
West. Grocers	3+3	48	50	..
Do., pref.	7	110	110	120
Wilsils	1	16	18	18
Woods Mfg. pf.	...	60	..	..
York Knitting	.60	14	14	..
Zellers, c.	.80	11	11	12

♦Paid in 1942 to date. ▲On arrears.

Mining Stocks

	Div. rate	Last sale	Nov. 23 Bid	Ask
A				
Amm. Gold	...	.00½	.00½	..
Arno	...	.01	..	.01½
Astoria Quebec	...	.02	..	.02
B				
Bagamac	...	.03½	.04	..
Bayonne	†.01	.03	.02	.04
Beaufor	...	.02½	.01½	.02½
Berens River	.12	.60	.40	.80
Bouscadillac, G. M.	...	.01½	.01½	.02½
Brazil Gold	...	.03	..	..
Brett Trethewey	...	.00½	..	..
Bunker Hill	...	.01½	..	.03
C, D				
Camp Bird	...	.02	.01½	..
Cartier Malartic	...	.01	.01	..
Castle Trethewey	...	.62	.02½	.02½
Cent. Manitoba	...	.75	.50	.95
Coast Copper	.10	.75	.60	..
Coniagas	...	.00½	.00	..
Dentonia	...	.02	..	..
Duquesne	...	.03½	.04	.06
F, G				
Fairview Amal.	...	.00½	.00½	.01
Flin Flon Gold	...	.01	.01	.02
Forty-Four	...	.10	.10	..
George Copper	...	.15	.11	..
Glenora	...	.00½	..	.01
Golconda	...	.04	.04	..
Golden Gate	...	.02	.02½	.02½
Goodfish	...	.01	.01	.01½
Graham Bosquet	...	.01½	.01½	.02½
Grandora	...	.02	.02	..
Gt. Falls M.&S.	...	.06	.01½	.06
Grull Wihksne	...	.01½	.01½	.02
Gurney Gold	...	.01	..	.01
H, I, J				
Halcrow Swayze	...	.02	.01½	..
Halliwell Gold	...	.00½	.01	.01½
Hallnor Mines	.40	1.80	1.85	2.40
Hasaga	...	.10	.10	.15
Home Gold	...	.00½	.00½	..
Island Mountain	.13	.64	.65	.75
Jacola	...	.00½	..	..
Jack Waite	...	.05½	.06	.08
Jellicoe	...	.02	.01½	.02½
J. M. Cons. Gold	...	.00½	.00½	.01
Joliet Quebec	...	.01½	.01	.01½
K, L				
Kerr Lake	▲.05	.22	..	..
Kirk. Gold Rand	...	.01	.01½	.02½
Kirk. Hud. Bay	...	.11	.15	.18
Lebel Oro	...	.00½	.01	.01
M				
Maralgo	...	.02	.02	.04
McGillivray Coal	.01	.23	.22	.24
McLellan Gold	...	.02½	.02½	..
McVittie Graham	...	.03½	.04½	.04½
Mentor Exploration	...	.05	.05	..
Minto Gold	...	.00½	.00½	.01
N, O				
Negus Mines	.05	.26	.31	.40
Nicola	...	.00½	.00½	.01
Nipissing	.10	.85	.91	1.00
Norgold	...	.01½	.02½	.04
Northern Empire	.30	2.00	..	..
Osisko	...	.02	.02	..
P, Q, R				
Pacific Nickel	...	.05	.07	..
Pandora	...	.01½	..	.03½
Premier Border	...	.01½	.01½	.01½
Quatsino	...	.01½	.01½	..
Red Crest	...	.00½	.00½	.01
S, T, U, W, Y				
Salmon Gold	...	.00½	..	..
Shawkey	...	.02½	.02	..
Silbak Prem.	...	.40	.45	..
Straw Lake	...	.01½	.01	.01½
Sudbury Contact	...	.02½	.02½	.04½
Surf Inlet	...	.01	..	.03
Taylor Bridge	...	.02	.03	.06
Toburn Gold	.11+.02	.65	.57	.65
Towagmac	...	.03	.09½	.12
Uchi Gold Bonds	...	28.00	..	38.00
Wendigo	.03	.18	.18	.20
Wiltsey Coughlan	...	.01½	.01½	.02½
Wpg. River Tin	...	.00½	..	.00½
Wood Cadillac	...	.01	.01½	.01½

Oil Stocks

	Div. rate	Last sale	Nov. 23 Bid	Ask
Acme Gas & Oil	...	.05	.04½	.08
Amalgamated	.04	.15	..	.04½
Brown Oil	...	.05	.04	.04½
Commoil	.02	.17	.15	.20
Common Pete	...	.19	.18	.20
Dalhousie	...	.20	.16½	..
Federated Pete	...	.32	..	..
Foothills	...	.75	.62	.75
Grease Creek	...	.09½	.08½	.10
High Sarcee	...	.01	..	..
Madison	...	.04	.02½	.04
Marvel Oils	...	.06½	.05	.07
Mill City	.03	.13	.11	.13
Model	...	.18	.16½	.18
National Petroleum	.04	.25	..	..
Petrol Oil & Gas	...	.03	.02½	.03½
Royal Can. Oils	...	.15	.15	.20
South West Pete	...	.03	.04	..
Spooner	...	.03½	.03½	.04
United Oils	...	.02½	.02½	.05
Vulcan	...	.02	.02	.25

▲Paid in 1941. †Paid in 1942 to date.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Eastern Car	†6%	1952	Jan. 1	105
Nfld. Pr. & P.	*5½%	1970	Jan. 15	105
Ott. Val. Pwr.	‡4%	1964	Dec. 1	103½
Inter. Paper	5%	1947	Dec. 2	▪

†$52,000. ‡$106,000. *Offer to convert these debentures into new 3½% debentures closes Dec. 5, 1942. ▪Tenders for $100,239.

Stock Issues

Beatty Bros. 6% 1st Pref. Dec. 15 ‡110½

Can. Wire & Cable, p. ▲6½% Pref. Dec. 15 ‡109½

‡Includes dividend accrued to date of redemption. ▲$355,500.

Annual Meetings

1942	Company	Place
Nov. 30	Canadian Bakeries	Calgary
Nov. 30	Guelph Carpet & W.	Toronto
Dec. 7	Bank of Montreal	Montreal
Dec. 7	Can. Bank of Com.	Toronto
Dec. 9	Dominion Bank	Toronto
Dec. 11	O'Brien Gold Mines	Montreal
1943		
Jan. 14	Provincial Bank	Montreal

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

November 24, 1942

	Int. Rate %	Due	Bid Nov. 24	Ask. Nov. 24	Bid Nov. 17
Public Utility Issues:					
▲Alg. Cen. H.B.R.	5	'59	20½	22½	22
†Assoc. Tel. & T.	5½	'55	76½	79½	75
B. C. Power	4½	'60	99	101	98½
B. C. Tel.	4½	'60	111	113	111
†Calgary Pwr.	5	'60	105	107	105
Do.	4½	'60	105	107	105
†Can. Nor. Pwr.	5	'53	97	99½	95½
*Dom. Gas & El.	6½	'45	108	110	108
Gatineau Pwr.	3¾	'69	98½	100	98½
*Do., A	3½	'69	98½	100	98½
*Do., B	3½	'56	101½	103½	101½
Gt. Lakes Pwr.	4½	'57	98½	101	99
Do.	3½	'60	47	47	47
*Int. Hydro-El.	6	'44	44	47	44
▲Inter. Power	6	'55	100½	..	100
L. St. Law. Pwr.	4½	'61	100	102½	100
Mac'n-Que. Pr.	3½	'59	100	102	100
Mtl. L. H. & Pr.	3½	'56	102	103½	101½
Do.	3½	'73	99½	101½	99½
Do.	3½	'63	100½	102½	100½
†Mtl. Tramways	5	'51	101½	103½	101½
†Do.	5	'55	98	..	98
Nat. Lt. & Pwr.	5	'57	101½	103½	101½
N. S. Lt. Pr.	3½	'58	101½	103½	101½
Ottawa L.H.&P.	4	'57	102½	104½	102½
Ottawa V. Pwr.	5½	'59	101	103	101
†Power Corp.	4½	'59	101	103	100½
Quebec Pwr.	4	'62	101½	103	101½
*Saguenay P.	4¼	'66	104½	107	104½
*Do., B	4¼	'66	104½	107	104½
St. Maurice Pr.	4	'70	104	106	104
Shaw. W. & Pr.	4½	'67	101½	103½	101½
Do.	4½	'69	103	105	103
Union Gas	5	'52	98	100	98
▲Twin C. R. Tr.	5	'52	94½	96½	94
†United Secs.	5½	'52	87½	89½	87½
▲Wpg. El. ser. A	5	'65	79½	81½	79
Do., B	5	'65	78½	81½	77
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	57½	60½	57
Do., C.O.D.	5	'53	54	57	54
Acadia Sugar	4½	'55	101	103	101
Do.	4½	'55	97½	99½	97½
†Alta Pa. Grain.	6	'46	103½	105	103½
Algoma Steel	5	'48	101½	103	101
Atlantic Sugar	5	'51	101½	103	101½
†B. C. Pulp & P.	5½	'51	83	85	83
‡‡Do.	5½	'59	114	117	114
*Brown Co.	5	'59	77½	80	75
Burns & Co.	4½	'58	77½	79½	77½
Canada Cement	4½	'51	99	101	99
Canadian Electric	4½	'56	100½	101½	100
Can. Paper	6	'55	101½	103½	101½
Can. Steamship	5	'57	101½	103½	101½
Can. Canners	4½	'51	101	102½	101
*Can. Int. Paper	6	'49	99½	101½	99
*Can. Locomotive	6	'51	96½	98½	94

Corporation Bonds (Cont'd)

	Int. Rate %	Due	Bid Nov. 24	Ask. Nov. 24	Bid Nov. 17
†‡Candn. Vickers	6	'47	94	97	94
C.P.R.	3½	'51	96½	98½	96½
Do.	4	'49	100	102	100
Col. Steamships	6	'54	101½	103½	101
†Consol. Paper	5½	'61	60½	63½	60
Dom. Coal	4½	'52	97	99½	97
Dom. Scott. Inv.	4½	'52	98	..	98
Dom. Stl. & Co.	6½	'55	101½	104½	102
Dom. Tar	4½	'51	101½	104½	102½
Dom. Woollens	5½	'53	98	100½	98
*Donnacona Pap.	4½	'56	76	79	76
*Dryden Pap.	6	'49	102½	105	102½
†East. Dairies	6	'49	71½	74½	70
Famous Players	4½	'51	101	103½	101
†Federal Grain	6	'49	103½	106	103½
*Fraser Cos.	6	'50	103	105½	103
Galt Brass	5	'50	95	98	95
Gen. Stl. Wares	4½	'52	101½	103½	101
*Gt. L. Paper	4½	'55	90½	93	90
*Gurney Fdry.	5½	'49	82	85	80½
†Gypsum Lime	5	'48	102½	105	102½
Ham. By-Pr. C.	5	'55	101	103½	101
Do.	4½	'56	100	102½	100
Ham. Cotton	5	'50	100	102	100
Inter-City Bak.	5½	'48	101	103	101
Indust. Accept.	4½	'52	82	85	82
Ins. Ex. Bldg.	4	'51	53	56	53
*Inter. P. Nfld.	5	'68	95½	98½	95½
*Inv. Bond & Sh.	5	'47	35	40	35
†Kingston Elev.	5	'50	104½	107½	104½
Lake St. J. P.	4½	'61	78	81	78
Do.	4½	'61	47½	50½	47½
Legare	6	'61	88	91	88
Maple L. M.	5	'58	88	..	87
Man. Sugar	6	'60	102½	105	102½
Massey-Harris	4½	'54	97½	100	97½
McColl-Fron.	4½	'49	98½	100½	98
McCormicks	6	'52	98	100½	97½
Do.	4½	'52	104	106	104
Mercury Mills	5½	'59	94½	97½	94½
Mersey Paper	5½	'57	91½	94½	91½
†Do.	5	'49	91½	94½	91½
*M. & O. Paper	6	'60	99	101	98½
Moirs Ltd.	6	'53	75	80	75
†Mtrl. Drydocks	4½	'48	84	87	84
Montreal Apts.	4	'54	46	49	46
Nat. Grocers	6	'47	101½	..	101½
N. S. Stl. Coal	5	'63	81	84	81
Price Bros.	5	'57	90½	93½	89
Do.	4	'57	67	71	68
*Prov. Paper	5½	'47	103½	106½	104
Reliance Grain	4½	'52	97½	100½	97½
†Restigouche Co.	5	'48	102	104	102
Rolland Paper	4½	'51	101	103	101½
Ruddy, F. A.	6	'48	75	79	75
Silv. Dairies	6	'66	94½	97½	95
Simpsons, Ltd.	4½	'51	100	102½	100
Smith, Howard	4½	'51	102	104½	102
Stand. Lime	6	'44	98½	..	98½
Sterling Coal	6	'45	98½	101	98½
Stop Shop	3	'47	63	66	63
United Amuse.	5	'56	100	102½	100
United Corp.	5	'53	93	96	93
*United Gas	5½	'48	104½	107½	104½
United Gr. Grs.	5	'48	100½	103½	100½
†Western Grain	6	'49	62	65	62

*Payable in Can. or U.S. †Payable in Can., U. S. or U. K. ‡Payable in U. S. ◆Payable in Canada only. ▲Traded without accrued interest. ▪Payable in Can. or U. K.

DIVIDEND NOTICES

Kinnon Steel Corporation Limited

DIVIDEND NOTICE

otice is hereby given that a dividend e and one quarter per cent (1¼%) been declared on the 7% Cumulative ing Fund Redeemable Preferred stock acKinnon Steel Corporation Limited ble December 15th, 1942, to shareers on record November 30th, 1942.

is a payment on account of arrears referred dividend.

rder of the Board of Directors.

J. G. SCORER,
Secretary.

treal, November 20th, 1942.

Lawrence Corporation Limited

DIVIDEND NOTICE

t a meeting of the Board of ectors of this Corporation held y a special payment of fifty ts per share on account of arrears ividends on the Corporation's s A Preferred Shares was 'deed payable on 21st December, to shareholders of record at the e of business on 10th December, and a regular quarterly divid of twenty-five cents per share declared payable on 15th Janu1943, to shareholders of record e close of business on 2nd Janu1943. The above declarations subject to the approval of the eign Exchange Control Board.

Order of the Board of Directors.

L. A. TUCKER,
Secretary.

ntreal, Que.
ember 19, 1942.

Lawrence Paper Mills Company Limited

DIVIDEND NOTICE

t a meeting of the Board of ectors of this Company held toa special payment of seventyents (75c) per share on account rrears of dividends on the comy's Preferred Shares was deed payable on 21st December, to shareholders of record at close of business on 10th Decem1942, and a regular quarterly idend of seventy-five cents (75c) share was declared payable on January, 1943, to shareholders record at the close of business 2nd January, 1943. The above larations are subject to the apal of the Foreign Exchange trol Board.

Order of the Board of Directors.

L. A. TUCKER,
Secretary.

ntreal, Que.
ember 19, 1942.

Canada Permanent ortgage Corporation

Notice is hereby given hat a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

Saturday, the Second Day of January

next, to Shareholders of record at the close of business on the Fifteenth day of December 1942.

By order of the Board.

WALTER F. WATKINS,
Secretary.

Toronto,
November 18th, 1942.

e Top Brewing Company Limited

DIVIDEND NOTICE
CLASS "A" SHARES

otice is hereby given that a half dividend of three per cent (3%) at the rate of six per cent per annum, has been declared the Class "A" Shares of the pany which are issued and outding, payable on December 31st, to all such Class "A" Sharers of record at the close of ness on December 15th, 1942.

Order of the Board.

E. U. DUGAL,
Sec.-Treasurer.

hener, Ont.,
ember 17th, 1942.

THE MONTREAL COTTONS LIMITED

NOTICE IS HEREBY GIVEN THAT A DIVIND OF ONE PER CENT (1%) been declared upon the Com Stock of the Company, and ques will be mailed on the fifnth day of December next, to reholders of record at the close usiness on the 30th day of Nober, 1942.

Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

lleyfield, November 18th, 1942.

THE MONTREAL COTTONS LIMITED

NOTICE IS HEREBY GIVEN THAT A QUARLY DIVIDEND OF ONE AND REE QUARTERS PER CENT %), being at the rate of Seven cent (7%) per annum, has been lared upon the preferred stock of Company, and cheques will be iled on the fifteenth day of Deber next, to shareholders of ord at the close of business on 30th day of November, 1942.

Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

lleyfield, November 18th, 1942.

— RECLEANED WESTERN —
· · · OATS · · ·
AND OTHER GRAINS
BULK or SACKED
All Grain Selected from Our Elevators in the Finest Growing Districts of Western Canada
Prompt Shipment From Fort William
For Quotations Write or Wire
NATIONAL GRAIN CO. LTD.
WINNIPEG

The Business Of Farming

By GORDON L. SMITH

A university professor argued the other day that because practically all arable land in Canada was now occupied, large scale agricultural immigration was out of the question.

Aside altogether from the question of immigration the reasoning advanced in that argument is faulty. Occupation, as the Nazis have found out in Europe, does not necessarily mean anything like full development.

If by some miracle all of our wheat farms and cattle ranches were turned into market gardens overnight western Canada would require 40 times its present farm population. Of course, any miracle of this kind would involve a complete new climate to grow the small fruits and vegetables and also a market to consume them. But less drastic changes in the direction of more intensive agriculture are not only possible but highly probable. Almost everywhere in Canada this development is going on steadily.

• • •

New Farm Jobs

The writer recalls a rather typical example in one of the very light soil belts of Ontario. Twenty-five years ago one man was making a sketchy living for himself and family from 50 acres. He was trying to grow a few beef cattle and enough feed to carry them through the winter. His total cash receipts in the course of a year, would be well under $500.

The place changed hands. A more business-like successor concentrated on development of about five acres of muck on one corner of the farm, reforesting the rest. Today that five acre corner, which the previous owner only used for growing low quality fire wood, gives employment to three men and produces some of the finest celery in the province.

• • •

The Example of Norfolk

On a large scale is the example of Norfolk county along the north shore of Lake Erie. Not so very long ago, the provincial authorities were worried about this, largely sandy soil, area. Crops were getting steadily poorer and population was declining as farms were abandoned. While it was not in the hillbilly category by any means, the drift was tending in that direction.

Then came some scientific investigation.

Climatic conditions were found ideal for all sorts of fruits especially berries, cherries and apples and also for potatoes and flue cured type tobacco. The light warm sandy soil too, suited these things particularly well.

All that was lacking were some chemical elements in the soil. These had become depleted under continuous grain cropping but they were easily replaced by regular applications of commercial fertilizer.

Today as a result of this businesslike handling, Norfolk county is one of the richest and most densely populated rural areas in all Canada.

• • •

Science Plus Markets

Similar developments are taking place all over Canada. The irrigated areas of Southern Alberta, the new sugar beet district of Manitoba, the narrow rich valleys of British Columbia are examples. All that is needed is a scientific survey of soil and climate, plus available and adequate markets.

No one can say Canada or any other country has reached the saturation point in agricultural population until the last acre is in full production of the most suitable crop, but for such maximum development adequate markets, of course, would be vital.

DIVIDEND NOTICES

Gatineau Power Company

Notice of Dividend on 5% Cumulative Preferred, 5½% Cumulative Preferred and Common Shares.

Montreal, Canada
November 20, 1942

The Board of Directors has declared a quarterly dividend of $1.25 a share on the 5% Cumulative Preferred Shares and $1.38 a share on the 5½% Cumulative Preferred Shares of the Company payable January 1, 1943, to shareholders of said classes of record at the close of business on December 1, 1942, also a quarterly dividend of Fifteen cents ($.15) a share on the Common Shares of this Company outstanding at the close of business on December 1, 1942, payable on December 31, 1942, to shareholders of said class of record at the close of business on December 1, 1942.

Cheques in payment will be mailed. Stock transfer books will not close.

J. R. BINKS,
Secretary.

DIVIDEND NOTICE

The Cariboo Gold Quartz Mining Company, Limited

(Non-Personal Liability)

DIVIDEND NO. 29

NOTICE IS HEREBY GIVEN that a quarterly dividend of two cents (2c) per share, on the paid-up capital stock of the Company, will be paid January 2, 1943, to shareholders of record December 4, 1942, subject to the approval of the Foreign Exchange Control Board.

The Books of the Company will be closed for the transfer of shares from December 5, 1942, to December 8, 1942, inclusive.

By Order of the Board.

J. R. V. DUNLOP,
Secretary-Treasurer.

Vancouver, B.C.,
November 20, 1942.

Securities Holding Corporation Limited

NOTICE

Notice is hereby given that an Interim Disbursement of Sixty-Five Cents per share has been declared upon the outstanding preference shares of the Company, payable on the 2nd day of January, 1943, to shareholders of record at the close of business on the 16th day of December, 1942.

By order of the Board.

F. T. LARGE,
Secretary.

Toronto, November 24th, 1942.

MacLeod-Cockshutt Gold Mines, Limited

(No Personal Liability)

INTERIM DIVIDEND

NOTICE is hereby given that an interim dividend of ten cents per share has been declared by the Directors of MacLeod-Cockshutt Gold Mines, Limited (no personal liability), payable in Canadian Funds on December 23rd, 1942, to shareholders of record December 1st, 1942.

The Canadian 15% Tax will be deducted from dividends paid to non-residents.

By order of the Board,

J. M. MACINTOSH, K.C.,
Secretary.

Toronto, November 23rd, 1942.

Anglo-Huronian Limited

DIVIDEND NO. 11

NOTICE IS HEREBY GIVEN that a dividend of Ten Cents (10c) per share, in Canadian Funds, on the issued capital stock of the Company has been declared payable January 22nd, 1943, to shareholders of record at the close of business January 8th, 1943.

J. INGRAM,
Secretary-Treasurer.

Toronto, November 21st, 1942.

DIVIDEND NO. 16

Hudson Bay Mining and Smelting Co., Limited

A Dividend of One Dollar ($1.00) (Canadian) per share has been declared on the Capital Stock of this Company, payable December 21, 1942, to stockholders of record at the close of business on November 27, 1942.

H. E. DODGE, *Treasurer.*

Canadian General Electric Company, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of two dollars per share for the quarter ending December 31, 1942, has been declared on the Common Stock of the Company.

That the above dividend is payable on January 2, 1943, to shareholders of record at the close of business on December 15, 1942.

By Order of the Board.

W. H. NESBITT,
Secretary.

Toronto, November 20, 1942.

The Chesterville Larder Lake Gold Mining Company Limited

(No Personal Liability)

INTERIM DIVIDEND NOTICE
NO. 5

Notice is hereby given that an interim dividend of 2½c (two and one-half cents) per share, payable in Canadian funds, has been declared by the Directors of The Chesterville Larder Lake Gold Mining Company, Limited, payable December 22nd, 1942, to shareholders of record at the close of business December 5th, 1942.

By order of the Board.

E. V. OAG,
Secretary-Treasurer.

Toronto, November 19th, 1942.

PERSONNEL MAN

H. S. Putnam, who has been appointed supervisor of personnel relations for the Canadian Marconi Co. He will direct employment and placement of workers, while at the same time continuing to have charge of advertising and publicity. Mr. Putnam joined the staff of the company in 1927.

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & McDonnell, Toronto)

Bid and Asked as at Nov. 24, 1942, and change in bids from previous week.

Miscellaneous Stocks:	Bid	Ask.	Chge.
Allens Lond. The, pfd.	51	54	—½
Brantford Roofing, c.	1.60	2.50	..
*Can. Gen. Rubber, pfd.	..	21	..
Can. Gen. Sec's., A, B.	7	8	..
C.P.R. 4% p. (£ par)	2½	3½	..
Can. Paving, pfd.	.85	..	+.05
Can. West. Lumber, c.	.15	.40	..
Cawthra Apts., pref.	2½	3½	..
Claude Neon, 7% pref.	1½	2½	..
Collingwood Term., pf.	2	..	..
Do., com.	2	..	..
Colonial Realty, com.	2½	..	..
Commer. Life, 10% pd.	5½	8	+½
†Copeland Flour units	15½	17	..
Copland Brewing	.90	..	..
Dairy Corp., pref.	12	..	..
Do., com.	1.00	1.40	..
Dom. Alloy Steel, pref.	.05	.15	..
Dom. Life, 70% pd.	175	200	—2
Dover Industries	6½	8	..
Dubuisson Gold	.10	.12	—1c
Eastern Steel, 5% pref.	20½	21½	..
Federal Fdries. com.	.05	..	..
†Ft. Wm. Hotel units	..	45	..
Hart Battery, com.	4½	5½	—½
Loew's London Th. pfd.	7½	8	..
London & West. Trusts	30½	32½	+½
Mont. Deb. Corp., pref.	2	..	..
Murphy Paint, com.	7½	9	..
Do., 5½% pref.	88½	91	..
Nat. Hosiery, com.	.85	1.10	..
Do., pref.	.95	..	..
†Nor. Amer. Elev. 1st pf.	88	..	—2
*Do., 2nd pfd.	35	..	—5
Do., com.	..	1	..
Que. Pulp & Paper, pf.	28	30½	+5
Reanite Corp.	1	2½	..
P. L. Robertson, old c.	305	..	+3
St. John Dry D. 5½% pf.	94½	97½	..
Sincennes McN., com.	1½	..	..
Supertest Pete., 6% pf.	26	27½	—½
Tip Top Tailors Inc. un.	9	10½	..
Viceroy Mfg., 6% pref.	21½	23½	..
Waterloo Mfg., new c.	1.20	1.60	..
West. Can. Hydro, pf.	11½	12½	..
Western Life, 20% pd.	11	13	..
Windsor Hotel, com.	2½	3	—½

*Issue carries arrears.
†Currently paying on arrears.

Supplementary Bond Quotations

(Supplied by Plaxton, Cherry & McDonnell, Toronto)

Month-end Close, and Changes from Previous Month-end

Nov. 24, 1942

Miscel. Corp. Utility & Realty Bonds:	Bid	Ask.	Chge.
‡Adel.-Peter, 6½%/48	32	36	..
*Adel.-Sheppard, 7%/48	23	25½	..
†Albert Bay 6½%/42	58	62	—½
Algoma Cent. 5%/59	20½	23½	—½
Alexandra Apts., 3%/55	53	56½	..
*Alex. Bldg., 6%/47	36½	40	..
Ancroft Place, 4%/56	45½	48	—½
*Annandale C. 6½% ser.	32	..	+4
*Balfour Bldg., 3%/43	47	50	—½
*Bay-Adelaide, 6½%/47	20½	24	—½
*Bay-Cumberl'd, 6½%/44	18	21½	+½
Bay-St. Albans, 4%/53	53½	56	+½
Beach Fdry., 6%/45	83	..	..
‡Bloor-St. G. Rlty. 7%/46	45	48	..
Brantford Roof., 5%/59	79	84	+1
Can. Machinery, 5%/54	99	103	+½
Do., 6%/55	96	100	+1
Cities Heating, 4½%/55	90	94	..
‡Clarendon Apts. 7%/46	24	26½	+½
‡Clarendon Props. 7%/47	24	26½	+½
Dom. Square, 4%/59	58½	62	..
Ellis Park, 4½%/45	60½	64	+½
Fed. Foundries, 5½%/50	..	80	..
Gair Inc. Notes	73½	77½	+2
Gen. Brock Hotel 3%/54	36½	39½	—½
Godfrey Realty, 4%/52	55	56	..
Keefer Rlty., 5%/55	25½	28½	..
*King Ed. Hotel, 7%/44	27	29½	..
Lombard Rlty., 2½%/51	25	27	+1
*London Realty, 6½%/50	93	97	—1
Lord Nelson Htl., 4%/47	47½	50	+½
Mayor Bldg., 3%/42	54½	57½	..
Moodie, J. R., 6%/48	92½	96½	+½
Nat. Utilities, 6%/48	55	..	..
Ont. Building, 3%/43	41	44	..
Prince Ed. Hotel 4%/47	36½	39	+½
‡Prof. Offices, 7%/33-45	55	59	+1
Richmond-Bay, 6½%/47	95½	98	+½
*Richmond Bldg., 7%/47	19½	12½	+½
Ritchie C. Stone 6½%/48	99½	..	+1
Royal Ex. Bldg., 6%/48	51	..	..
St. Cath. Stanley, 5%/57	59½	62½	..
Stand. Clay, 6%/42	73	..	+3
*Stanley Rlty. 7%/45	3	..	..
Stavely Apts., 2½%/49	62	66	..
‡St. Exch. Bldg., Vanc., 6%/44	42½	46½	..
‡Trinity Bldg., 4%/52	9½	11½	..
200 St. Clair W. 4½%/58	53	56	..
▪Vanc. Georgia T. 6%/47	55½	59½	+½
‡Wel'nton Bldg. 6½% ser	61	65	+2
‡Wind. Court Apt. 6%/42	38	41	..
*York Adelaide, 7%/45	4	8	..
York St. Bldgs., 6%/43	78½	84½	..

†Payable U. S. funds and Can. funds.
*Issue carries arrears of interest.
‡Currently paying on int. arrears.
▪Payable U. S. funds only.

Public Utility Earnings

Mexican Light & Power

August

	1942 $	1941 $	Increase %
Gross earnings	928,932	905,659	2.57
Oper. expenses	636,354	564,405	12.75
Net earnings	292,578	341,254	d14.26
First Eight Months			
Gross earnings	7,518,703	6,201,492	21.24
Net earnings	2,493,837	1,412,772	76.52

dDecrease.

Bond Tenders

Nov. 26. Canada Treasury Bills—$45,000,000 dated Nov. 27, 1942, payable Feb. 26, 1943.

Wheat Prices

Winnipeg Grain Futures

Week of Nov. 23, 1942

Crop year from Aug. 1, 1942 High	Low		High for week	Low for week	Close Nov. 23
		Wheat			
.91¼	.90¼	Dec. ...	.90⅜	.90¼	.90¼
		Oats			
.46⅞	.45	Dec. ...	.45⅜	.45⅛	.45¼
.48¼	.45⅝	May ...	.47⅞	.47¾	.47¾
		Barley			
.61½	.60⅛	Dec. ...	.60¼	.60⅛	.60⅛
.63¼	.60¾	May ...	.63⅛	.62⅞	.62⅞
		Rye			
.63¼	.53⅜	Dec. ...	.59⅜	.57¼	.59⅜
.64¾	.56¼	May ...	.61⅜	.59⅝	.61⅛

Cash Quotations

	For Week Nov. 23 High	Low	Prev. Week High	Low
Wheat:				
1 Nor. ...	.90⅝	.90½	.90¼	.90⅜
2 Nor. ...	.87⅛	.87	.87	.86⅞
3 Nor. ...	[illegible]5⅝	.85¼	.86	.85⅝
4 Nor. ...	.85⅛	.83¾	.85¼	.85⅛
5 Wheat	.83⅝	.83	.83¾	.83¼
6 Wheat	.82⅜	.82	.82½	.80⅝
Feed ...	.80⅝	.80¼	.80½	.80⅝
Oats:				
2 C. W. ..	.45	.45	.45⅜	.45
3 C. W. ..	.43⅛	.42⅜	.44	.42¾
Barley:				
1 Feed ..	.56	.56	.56	.56
2 Feed ..	.54¾	.54⅝	.54¾	.54⅝
Rye:				
2 C. W. ..	.59⅛	.57⅛	.57⅝	.56⅞

Significant Investors' Index Numbers

No. of Securities	Mach and equip. 8	Pulp and paper 7	Milling 3	Oils— 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39=100)												
*1935 to date:												
High	134.5	234.4	149.7	123.7	135.7	118.3	128.3	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1942: Monthly Figures:												
Jan.	74.3	71.9	74.5	45.9	112.8	88.7	99.2	75.1	64.4	91.1	70.4	66.8
Feb.	73.4	69.3	69.7	43.6	108.7	85.5	96.3	73.9	62.1	91.1	67.7	64.7
Mar.	69.7	66.1	70.9	41.2	104.3	75.8	92.8	74.0	62.0	89.4	67.5	62.5
Apr.	70.6	63.2	69.6	41.4	102.4	74.2	93.1	73.9	60.2	88.4	66.3	61.1
May	74.7	61.1	70.5	43.2	104.3	73.5	94.2	75.7	60.7	87.4	66.4	62.0
June	76.2	61.1	69.6	44.5	106.6	73.9	93.6	76.6	64.3	87.7	68.1	62.8
July	76.6	58.9	65.3	46.6	100.4	75.9	95.5	75.3	65.2	81.7	67.8	62.4
Aug.	76.0	56.0	61.2	47.6	97.7	75.3	98.3	73.1	66.9	71.9	67.8	61.6
Sept.	77.9	55.9	62.0	49.0	99.8	74.2	98.7	71.2	67.1	69.0	69.2	62.6
Oct.	80.3	57.3	64.9	51.0	99.6	74.0	98.9	70.8	67.9	70.3	72.0	65.0
1942: Weekly Figures:												
Nov. 5	81.5	57.2	66.0	52.2	99.4	73.8	101.7	71.5	68.2	71.1	75.1	66.2
Nov. 12	82.0	62.8	71.0	53.9	99.8	75.5	105.4	73.6	70.5	71.5	76.6	67.6
Nov. 19	82.0	62.4	71.7	53.2	101.7	75.5	105.3	74.1	70.7	72.2	76.5	66.8

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Nov. 24	92.20	64.51	61.77	16.24
Nov. 23	92.37	64.40	62.16	16.29
Nov. 21	91.98	62.63	62.13	16.21
Nov. 20	91.91	61.41	61.93	16.21
Nov. 19	92.18	60.48	61.85	16.06
Nov. 18	92.21	60.65	62.21	16.12
Month ago	88.37	52.43	61.08	16.14
Year ago	94.95	89.59	69.01	19.18
High 1942	93.50	83.71	71.01	18.86
Low 1942	79.85	50.16	58.74	15.44

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Nov. 24	45.8	58.6	54.3	60.14	46.20
Nov. 23	45.9	58.1	54.0	59.87	44.90
Nov. 21	45.7	58.4	54.2	60.63	43.14
Nov. 20	45.5	58.2	54.0	58.93	42.46
Nov. 19	45.6	58.0	53.9	59.28	42.32
Nov. 18	45.6	58.1	53.9	59.92	42.41
Month ago	43.7	55.3	51.4	52.96	36.07
Year ago	43.4	61.2	55.3	81.57	59.63
High 1942	45.9	60.3	54.7	77.18	54.82
Low 1942	39.8	53.5	49.8	47.96	33.47

Await Union Gas Rate Decision

Production of Malahide Field Down Sharply on Water Intrusion

Application of Union Gas Co. to raise its rates is still under consideration, with no final decision yet reached, The Financial Post is informed. The application has been before the Wartime Prices and Trade Board and the Ontario natural gas referee for some time.

In the company's annual report, S. A. Morse, president, observed that unless it was able to obtain a substantial adjustment in the industrial gas rate there would be a serious effect upon revenues this winter.

In the field of supply there have been important changes during the last year.

Production Drops

On the debit side of the gas supply ledger have been sharp drops in the productivity of both the Malahide and Declute fields. At the Malahide field there has been a serious water intrusion that has cut gas from 15 million cu. ft. a day to around half a million. The Declute field has been on the way down for some time from its peak production of around 10 million cu. ft. a day. In the past year its output has been reduced to one million cu. ft. a day from around 3½ million cu. ft.

The Malahide field is a few miles east of Aylmer and up to last winter was the main source of natural gas supply for London.

Helping the supply situation has been removal of around 6,000 gas burners from the London area in the past few months. This has meant a considerable reduction in peak load.

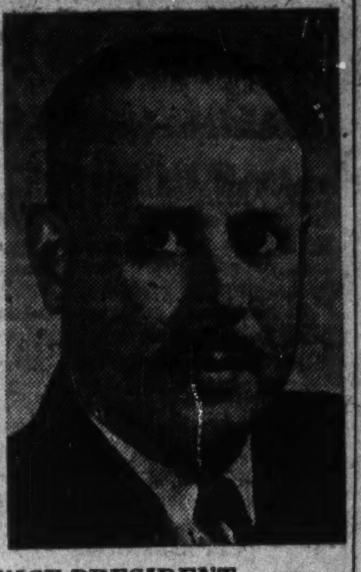
New Sarnia Plant

Another important factor is the company's new still gas plant at Sarnia, which has been in operation for the last few weeks. Sarnia has now switched over to use of gas from this, having formerly been supplied from Union Gas natural gas fields.

The still gas plant will make available about six million cu. ft. of gas daily in the summer and about 4½ million cu. ft. daily in the winter. During the summer months this production will go to repressure the depleted Dawn field, and in the winter it will go directly into the line to help supply Union Gas customers.

•

Foundation Maritime Ltd., subsidiary of Foundation Co. of Canada, is spending $300,000 on the addition to its plant in Halifax and the installation of equipment.



VICE-PRESIDENT

G. Walter Brown, who has been appointed vice-president of Bristol-Myers Co. of Canada, Montreal. For the last 14 years he has been an executive of Ronalds Advertising Agency Ltd. in Windsor, Toronto and Montreal, and prior to that he was assistant advertising manager of the Ford Motor Co. of Canada.

Slight Decline In Note Issue

Total Deposits and Investments of Bank of Canada Also Lower

For the first time in many weeks the circulation of the Bank of Canada for the week ended Nov. 18 shows a decrease. The decline is about $1.4 millions. The decrease is attributed to the deliveries of western grain having passed their peak for the time being, which with most of the western threshing bills paid, means a smaller demand for cash. Total deposits with the bank are also slightly lower.

On the credit side, investments are down slightly.

Liabilities	Nov. 18 1942 $	Nov. 11 1942 $
Capital paid-up	5,000,000	5,000,000
Notes in circ.	665,250,910	666,659,459
Rest fund	5,585,705	5,585,705
Deposits: Dom.	27,449,636	40,840,742
Banks	270,670,123	272,579,384
Other	27,898,388	28,938,326
Total deposits	326,018,147	342,358,452
All other	11,597,949	16,755,544
Total liabs.	1,013,452,711	1,036,359,160
Assets		
In Sterling & U.S.	503,436	503,436
Subsid. coin	71,302	65,957
Advances	3,250,000	2,750,000
Investments:		
Dom. gov. st.	797,025,477	796,966,994
Other Dom. gov.	199,502,260	200,450,308
Total invest.	996,527,737	997,417,302
Premises	2,220,153	2,215,048
All other assets	10,880,083	3,407,417
Total liabs.	1,013,452,711	1,036,359,160

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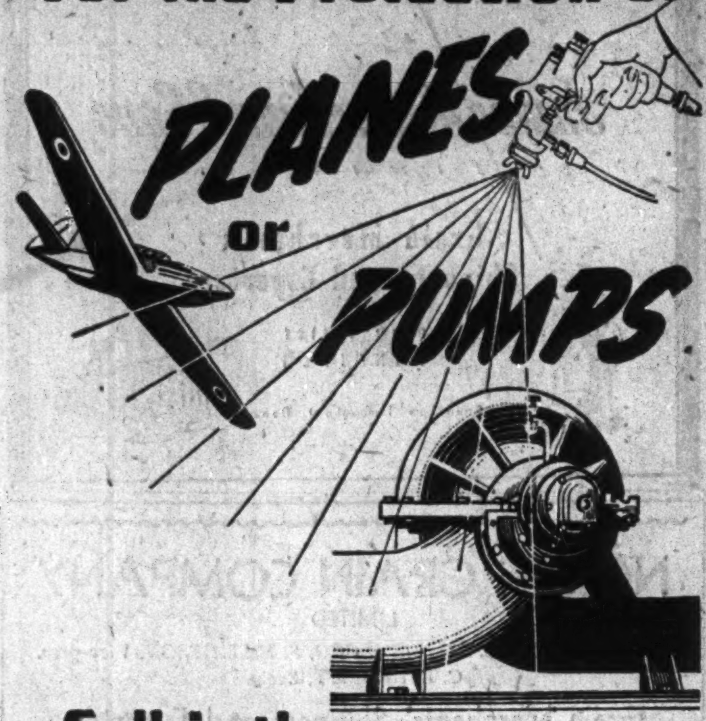

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Gold Fields Well Into West Ore

Results Confirming Great Tonnage Indicated by Drilling

From Our Own Correspondent

MALARTIC.—Initial work at the No. 2 shaft of Malartic Gold Fields has confirmed dimensions of the great west ore bodies indicated in that area by surface drilling.

An increase in mill capacity from 700 to 1,000 tons daily was completed earlier this year—on the basis of ore exposed in the No. 1 shaft workings—but the production must be held at the 700-ton rate for the present, even though an eventual production rate of perhaps 2,000 tons daily may be justified by the ore exposed during the last year.

Can Raise Grade

While tonnage of ore milled can't be increased under the "mine freezing" order of June 22, grade can and is expected to be increased. Ore from development headings at No. 2 shaft is already being transported to the mill for treatment. Grade of ore as indicated by surface diamond drilling for the No. 2 shaft ore bodies runs better than $11 a ton at $38.50 gold compared with an average recovery of only around $7.50 a ton for ore drawn so far this year from the original shaft workings.

As a larger proportion of ore comes from the west workings, it is hoped the dollar value of production will work considerably higher.

Surface drilling in the area of the west ore bodies, it will be recalled, indicated major ore deposition—6,000 tons of ore to the vertical foot averaging 0.3 oz. gold per ton compared with about 1,500 tons per vertical foot of a lower grade for the original workings. As far as work has been carried so far underground at the No. 2 shaft, the dimensions and grade of the west ore bodies appear to have been confirmed.

Results at 150-ft. Level

At the 150-ft. level, the crosscut to the north cut a dyke at a distance of 260 ft. This was drifted on to the east with low gold values for 175 ft. followed by 190 ft. grading 0.31 oz. gold across drift width. Car sampling has indicated marked continuity of grade—returns ranging from 0.15 to 0.5 oz. per ton—and the east face is still in ore. The last five rounds to the east have returned 0.64, 0.34, 0.36, 0.27 and 0.21 oz. gold per ton.

Twenty-five feet to the north a second dyke was disclosed. Drifting has been carried for 225 ft. to the east averaging 0.26 oz. gold per ton over drift width of seven ft. Drifting to the northeast is now being continued along strike. To the west, drifting has been carried in the structure for 100 ft. grading 0.25 to 0.3 oz. over drift width. The drift has been swung northwest to a parallel dyke along which 170 ft. of ore has been opened up, averaging 0.22 oz. over drift width. Both faces are still in ore in this dyke.

A further distance of 25 ft. along the main crosscut to the north at this level another structure has been opened up. Drifting has been carried for 90 ft. to the east showing an average grade of 0.32 oz. while 370 ft. of ore has so far been opened up to the west grading 0.22 oz. across drift width.

The same ore bodies have also been disclosed by the crosscut put out from the second or 300-ft. level. The ore bodies are indicated as standing almost vertical.

Results Summarized

Summarizing development underground at No. 2 shaft, three main diorite dykes have been opened up over a width of 120 ft. of which in excess of 50%, or over 70 ft., is of ore-making structure. Only limited work has been done as yet to determine ore widths.

At the No. 1 shaft, lateral work in recent months has prepared the 750, 900 and 1,050-ft. levels for mining.

Finding Ore at Depth

Limited work has been done on the 1,200-ft. level. The shaft crosscut north has opened up the depth continuity of the three main ore bodies showing typical grade and widths. Ore has also been disclosed north and south of the shaft at the 1,350-ft. or bottom level of this shaft.

When conditions return to normal, Malartic Gold Fields hopes to be one of the first companies to step up production. Conceivably development might not have to be expanded much further to bring a mill increase beyond even 1,000 tons a day rate. The length of the war is an important factor in determining the company's earning power.

OIL ROYALTIES

Producing Wells — Prices and Payments

	§Oct. daily allow. bbls.	Sept. daily allow. bbls.	July pay. 1% $	Aug. pay. 1% $	Sept. pay. 1% $	Paid to Sept. 30 1% $	Dealers offerings price 1%* $
Ace No. 1 gross	525	525	230.24	219.32	205.12	3,575.67	....
Alta. Oil Inc. No. 1 gr.	82	82	36.40	33.60	32.80	3,498.40	1,300
Do., No. 1 net	82	82	30.40	25.60	22.40	3,994.80	900
Do., No. 2 gr.	485	485	229.60	234.40	210.80	3,844.40	7,500
Do., No. 2 net	116	116	49.00	47.00	29.00	1,410.60	4,900
Allied No. 1 pfd.	95	95	42.61	38.12	42.92	699.18	1,700
Arrow No. 1 net	485	485	166.40	168.00	150.40	5,675.40	....
Do., No. 2 net	186	186	64.90	70.00	51.00	1,403.20	1,800
Atlas No. 1 net pfd.	105	105	....	48.80	....	......	1,600
Atlas-Br. D. No. 2 pfd.	654	654	317.60	329.20	293.20	1,822.80	7,600
D. & D. net pfd.	75	75	27.60	26.80	30.00	1,777.80	1,000
East Crest No. 5	130	130	59.20	59.20	49.60	237.20	1,800
Independent No. 1 p.	220	220	114.60	103.03	93.03	1,913.45	3,100
Do., No. 1 gr.	220	220	103.42	89.75	78.62	1,942.69	....
Major Oil No. 1 pfd.	108	108	62.00	46.00	40.00	590.00	1,500
Do., No. 1 gr.	108	108	59.20	54.80	43.20	1,472.60	....
Do., No. 2 net	578	578	284.80	289.60	154.40	4,176.60	5,400
Do., No. 2 gr.	578	578	273.20	277.60	259.60	5,360.40	....
Do., No. 3 net	825	825	280.40	283.20	259.20	5,495.20	8,400
Do., No. 3 gr.	825	825	376.00	380.80	374.80	5,259.20	....
Do., No. 4 pfd.	299	299	149.20	144.00	137.20	1,943.20	4,100
Do., No. 4 gr.	299	299	134.80	128.40	128.40	2,234.40	....
Do., No. 7 pfd.	650	650	....	....	....	......	7,600
Do., No. 7 dfd.	650	650	....	....	....	......	4,000
Do., No. 7 gr.	650	650	161.60	290.80	292.40	744.80	....
Do., No. 8 pfd.	529	293	....	....	....	......	5,100
Do., No. 8 gr.	529	293	....	176.40	199.60	376.00	7,200
Do., No. 8 dfd.	529	293	....	....	....	......	2,200
Do., No. 9 gr.	427	427	250.00	230.80	181.60	707.60	....
Do., No. 9 pfd.	427	427	....	....	....	......	5,400
Do., No. 9 dfd.	427	427	....	....	....	......	2,400
Miracle No. 1 net	415	415	152.09	139.53	124.27	4,463.30	4,500
Do., No. 1 gr.	415	415	203.20	178.12	170.40	4,351.80	....
Do., No. 2 pfd.	304	304	146.81	132.63	166.62	1,024.96	4,000
Do., No. 2 gr.	304	304	131.60	133.38	149.60	611.52	5,700
Renown No. 1 pfd.	95	95	38.00	52.69	36.78	174.03	....
Winalta No. 1 pfd.	81	81	35.60	46.80	30.80	3,413.50	1,000

*Approximately 25% over dealers' list prices.
§November allowables in barrels not generally released.

Drilling Wells — Prices and Depths

Well:	Drilling depth ft.	Offering price per 1%	Well:	Drilling depth ft.	Offering price per 1%
Atlas Br. Dom. No. 3 pfd.	8,606	*4,375	Northclonmel No. 1 gr.	8,291	6,200
Bonaventure pfd.	6,936	2,300	Northend No. 1 pfd.	8,639	3,200
Bonaventure gross	6,936	3,800	Northend No. 1 dfd.	8,639	1,800
Major Oil Inv. No. 6 pfd.	8,022	6,000	Northend No. 1 gr.	8,639	4,500
Major Oil Inv. No. 6 gr.	8,022	8,200	Northend No. 2 pfd.	6,450	2,800
Miracle No. 3 pfd.	7,298	4,700	Northend No. 2 gr.	6,450	5,000
Miracle No. 3 gr.	7,298	6,200	National Vulcan No. 1	3,815	*4,375
Northclonmel N.o 1 pfd.	8,291	4,300	New Ranchmen's pfd.	1,770	*3,200
Northclonmel No. 1 dfd.	8,291	2,000	Empire pfd. (Ont.)†	....	*1,100
			Hi.-Test Pet. pfd.†	....	*3,600
			Kinsella Ltd.†	....	*2,100

*Pegged price. †Acreage royalty.

Mining
INVESTMENTS

A further rise in gold stocks featured the stock market this past week, strengthening hopes that the basic trend in these issues has turned upward. Senior golds—such as Dome and Hollinger—participated substantially in the recent rise.

International news again appeared to be the chief motivating factor behind rising gold stock prices. Stocks were particularly strong on Tuesday of this week when news of the handing over of Dakar to the United Nations became public. Every Allied victory is apparently interpreted as bringing the end of the war—and better gold mine earnings—that much closer.

• • •

George B. Webster, executive assistant to the Oil Controller, confirms to The Financial Post his purchase of the Kootenay Florence mine near Ainsworth, British Columbia, and plans for placing it in production.

A new private company known as Aryan Florence Mining Co. has been formed with an Ontario Charter to operate the property. Funds for a 150-ton flotation plant are being provided under an arrangement with the Metals Reserve Co. of Washington through Wartime Metals Corporation, a Dominion Government agency. The new company is guaranteed a profit upon all lead and zinc produced. The new undertaking will also handle customs business and thousands of tons of good milling ore are reported available on numerous dumps of the district while several mines are reported to have reserves available underground.

Steep Rock Ore Tests Suggest Use as Scrap Iron Substitute

The second test of hard hematite iron ore from Steep Rock Iron Mines has shown successful results at the plants of Republic Steel Co., according to observers, who say this ore might possibly prove a solution to the current scrap iron shortage.

Four tons of ore from Ontario's Steep Rock Lake, averaging from 61% to more than 65% iron, were used in the test. "It did the job perfectly," commented Cyrus S. Eaton, Cleveland financier and organizer of Republic.

Needed For Open Hearth

Scarcity of scrap, Eaton declared, makes it imperative to use an ore hard in structure and low in impurities for direct charging into the open hearths.

He said that the Steep Rock ore lies at the bottom of a lake 130 miles west of Fort William, Ont., and 100 millions tons of ore is indicated.

In the first test of the Steep Rock ores, 15 tons were processed by Republic and shipped to Canada for fabrication into anti-aircraft shells.

Besides Mr. Cyrus Eaton, those who observed the second test included Oscar Endler, representing the Natural Resources Planning Board; J. S. Sears, iron ore specialist of the U. S. Bureau of Mines; Edward Steeman, mining expert of the Reconstruction Finance Corp., and Ernest Krem, minerologist with the Battelle Institute.

Ore from the North American iron fields can be converted into "finish ore" only by one of three processes, each requiring shipping facilities, time and men, Mr. Eaton stated, but hard structure ore of the Steep Rock type is of pure enough composition to serve without preliminary processing.

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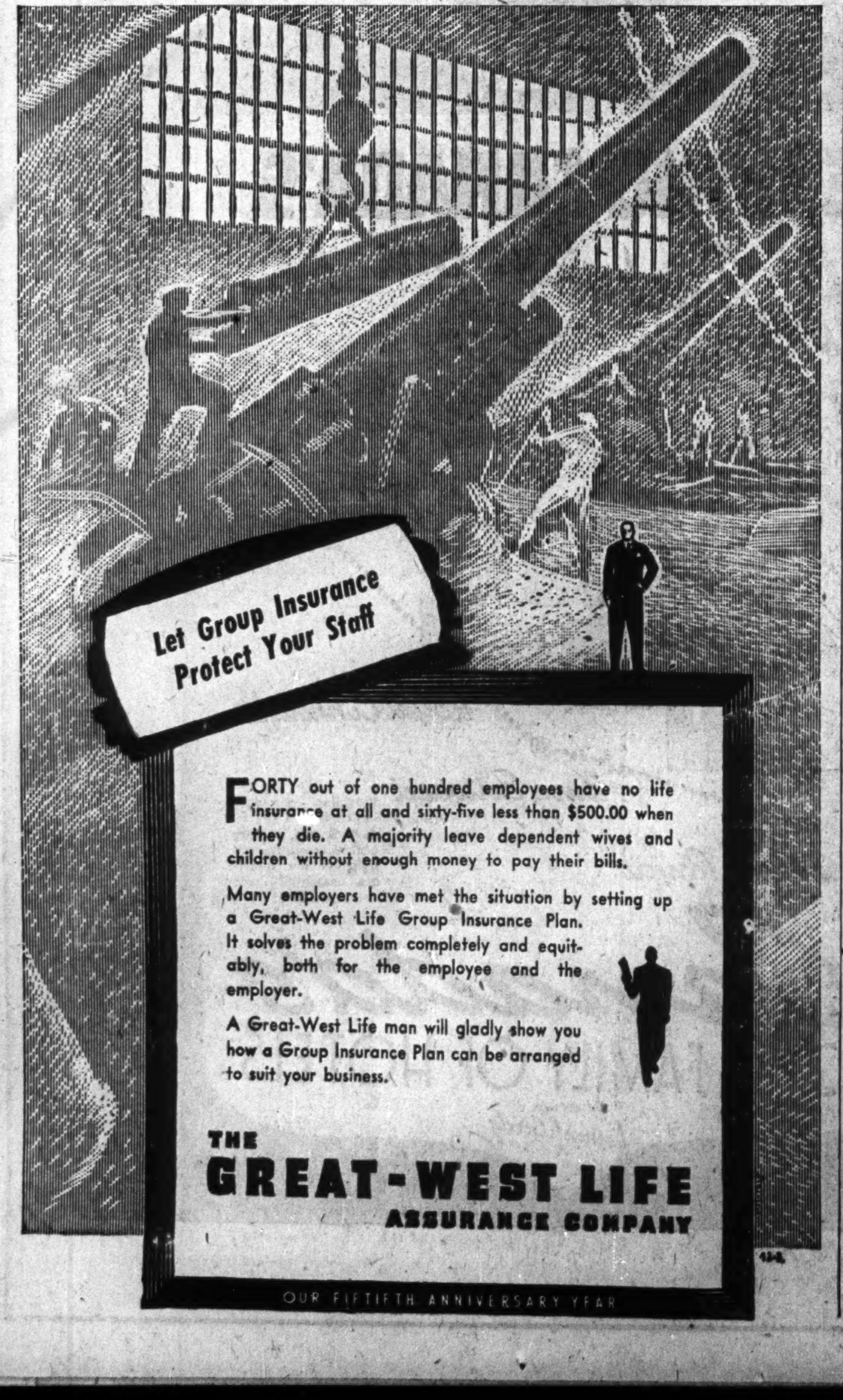
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The Week in Oils

From Our Own Correspondent

CALGARY.—To secure additional supplies of burner oil for the oil-burning engines of its Rocky Mountain Division, the Canadian National Railways this week announced its sponsorship of certain operations in the Vermilion oil field, which it is hoped will make needed oil available.

Prior to the C.N.R. announcement, Alberta Government officials had reported that "an agreement is being signed whereby Canadian National will undertake the drilling of 50 wells in Alberta's Vermilion oil field, and the arrangement is expected to result in the re-opening of the oil cleaning plant which closed down some weeks ago."

• • •

First Oil Venture

Under the plan, the C.N.R. will become an oil operator for the first time in its history. Entry of the C.N.R. should bring the Vermilion field's current marketing problem to an end. The railway company is already the principal purchaser of Vermilion crude, used as fuel oil for the C. N. Rocky Mountain Division. Its entry as an operator will give the railway a greater incentive to raise the price it pays for "conditioned" Vermilion oil to a level which would permit commercial operation of Vermilion oil wells and the Vermilion Consolidated Oils conditioning plant, it is suggested.

C.N.R. is undertaking the programme "upon the direct suggestion of the Oil Controller and upon the advice of Government geologists and the operations are to be conducted at a minimum of expenditure."

• • •

Why Plant Closed

The Vermilion Consolidated oil conditioning plant was closed down a few weeks ago because its operator found that the differential between the field crude oil price (95 cents per bbl.) and the price paid by the C.N.R. for conditioned oil ($1.15 per bbl.) did not cover handling and processing costs. As a result, oil has been piling up in storage tanks and pits in the field for several weeks, and, unless the plant is re-opened in the very near future, loaded storage facilities would force a shutdown of the 14 producing wells in the field, it had been reported.

MICA IN DEMAND

Did you read the editorial on mica in last week's Financial Post by Gordon M. Grant? Look it up. He quotes official prices for strategic mica ranging from $1.10 up to $8.00 a pound. That it is in demand needs no emphasis. An extract from Government Order in Council Oct. 22nd, reads: "That encouragement be given to Canadian mica producers as this material is of utmost importance in the manufacture of many articles needed for war purposes." Bill McNeely, an experienced mining man knows his minerals, but McNeely hasn't sufficient money to develop his discoveries. He secured the most promising mica discovery he had ever seen, organized a syndicate and proceeded to explore his find. Later on — and it never rains but it pours — he heard of another mica property owned by an old prospector who was flat broke. It adjoined a claim which was a big mica producer in the last war. With some assistance he bought it and staked everything available beside it. Hence the

TWO MICA PROSPECTING SYNDICATES

Glenmount Syndicate

owns the mineral rights on 100 acres about 40 miles south of North Bay. Here a dyke about 18 feet wide is exposed for nearly 750 feet with practically no overburden, and literally thousands of Mica "Books" are showing on the surface. How deep it goes we don't know, but we do believe a modest amount of money and a few men, supervised by Bill McNeely, would uncover an extra rich showing of Mica. There is a second dyke not quite as long, but with just as striking surface showings. It doesn't take a Geologist to identify the Mica "Books". A rank amateur could go along with a pot of white paint and mark them.

Richmount Syndicate

through outright purchase and staking, controls about 350 acres 40 odd miles west of North Bay, bang up against the C.N.R. Here McNeely bought a piece of property which adjoins a claim from which, the owner states, he took over $100,000.00 worth of Mica during the last war. Bill tried to buy this claim too, but $35,000.00 was a bit more than he could swing. However, the dyke continues on right into the property he staked, which, with the two claims he bought, completely surround the existing mine. Here also large books of high grade Mica can be seen all over the place.

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New Techniques to Aid Our Mining Industry

By GORDON M. GRANT

This country used to be viewed as a storehouse of almost illimitable mineral wealth. The war has changed that. It is now realized that our resources of high grade ore are far from inexhaustible.

That ore resources of other countries are also being depleted rapidly is cold comfort. So, too, is the fact that we are turning up scarce strategic minerals. Important now, these won't mean so much when hostilities cease, and won't replace our "bread and butter" non-ferrous metals.

However, there is a bright side to the picture. If war has exhausted some mines, it has also added to our techniques for tapping mineral wealth.

New techniques and processes can sometimes change low grade ores to high grade ones—indeed may unlock entirely new metals for commerce. Canada has enjoyed a considerable degree of success in this field.

Here are a few of the processes which take on new significance as known mineral resources are gradually depleted:

1. The Chromium Mining and Smelting Corporation's basic beneficiating or concentrating processes for changing low grade ores into high grade metallurgical products.

2. The ferro-silicon magnesium recovery process of Dr. Lloyd M. Pidgeon, which allows production of magnesium from raw materials found in many parts of Canada.

3. A commercial production process for aluminum from Canadian nepheline syenite deposits, developed by Ventures Ltd., and Aluminum Co. of Canada.

4. Magnesium recovery and other processes of Consolidated Smelters.

5. The process for extraction of oil from bituminous sands of the Athabaska area of Alberta.

6. Improved electrical and geophysical methods of locating mineral deposits, such as those which resulted in the discovery of the Steep Rock iron deposits below the waters of Steep Rock Lake.

Processes More Important

Chromium Mining and Smelting processes—which cover not just chromium but a wide range of non-ferrous metal including nickel and copper—have been known for some time. They haven't attracted wide attention in the past, because we thought we had great riches of non-ferrous metals. The last year or so, this country has been treating its highest grade ore—to maximize current output of metals. This leaves lower grade ores for which refined methods of concentration may have real significance later on.

The Chromium processes use large quantities of electric energy or, alternatively, roasting and leaching. For this reason they may be particularly adaptable to Canadian requirements. We ordinarily have an abundance of electric power, and will enter the postwar period with increased power facilities. The great chromite deposits of the Bird River area, in Manitoba, are low grade because they have a high iron content accompanying chromium values. With the Chromium M. & S. processes, such ores can become commercial.

Continue Magnesium Research

Research on magnesium recovery is being continued by Dominion Magnesium Ltd. and further refinement of the ferro-silicon process may make magnesium one of the cheaper metals after the war. Research work will undoubtedly find many new uses, in the same way new uses have been found for nickel and other metals.

Recent months have effectively demonstrated that recovery of magnesium from dolomite works satisfactorily on a commercial basis as well as on a pilot plant scale. Canada has large numbers of crystalline-lime dolomite deposits which present an inexhaustible source of metal. Magnesium can also be recovered from brucite and other substances found in Canada.

Can Recover Aluminum

Recovery of aluminum from domestic raw material could be carried out today in case of necessity, even though nothing is actually being done. The process perfected by Ventures Ltd. and Aluminum Co. of Canada is regarded as an emergency one just now and may remain so until reserves of higher grade bauxite ores begin to run short.

Nepheline syenite is the raw material. Numerous deposits of this are known in Canada with those in the Bancroft area said to be the best. Ventures and associates hold options on several properties through a company known as Nepheline Products.

It is reported to be "quite a simple matter" to get alumina from nepheline syenite.

Reserves of bauxite are being used at a rapid rate. Canada is turning out a billion pounds of aluminum a year compared with only 190 million pounds a year before the war.

Consolidated Smelters

Consolidated Smelters has a new magnesium process and has done experimental work on securing by-products from ores not ordinarily recovered. The magnesium process, developed in conjunction with a U. S. firm, extracts magnesium from dolomite by chlorination. The new feature is stated to be a modified type of electrolytic cell. The process differs from others in that it furnishes a surplus of chlorine for sale, instead of being a chlorine-consuming process.

Plants erected in Alberta to use waste gases from Turner Valley are now being operated by Consolidated Smelters as a war effort. They will have an important place in the post-war world. Smelters has a process to utilize the output for fertilizer manufacture.

Oil From Tar Sands

There is many times as much oil in bituminous sands of the McMurray and Athabaska areas of Alberta as there is in the proven oil fields of the world, according to reports of the U. S. Bureau of Mines and others. In the last two years, some commercial production has been secured by Abasand Oils' pioneering development at McMurray and the practicability of large scale production is being investigated.

Consolidated Smelters is cooperating in the investigations. A tremendous postwar development could result. The large quantity of steel required for a pipe-line, and difficulty of securing other equipment will probably cause large-scale development to be laid over until after the war, however, even if tests bring satisfactory results.

New Methods Available

In the last few decades many of the easy-to-find mineral deposits have been uncovered. In the next few decades, we will go after what would ordinarily be considered hard-to-find deposits—deposits that don't extend to surface or are underneath lakes. The largest amount of virgin prospecting ground is that covered by overburden.

Finding such ore bodies won't be easy, but there are many aids now that were unknown to the prospector a few years ago.

Today it is sometimes possible to tell the mineral underlying the ground by analysis of leaves of trees. Electrical, gravimetric, magnetic and seismic surveys and their combinations have undergone wonderful refinements.

Ores Will Be Upgraded

Canada's mining industry will undergo an important reorientation in the future. As high grade ores are exhausted throughout the world, old ground will have to be gone over again with new processes in mind. The low grade ores of yesterday may arise as the high grade ores of tomorrow. The United States reports zinc reserves only sufficient for four years and high grade iron reserves enough for 10 years. Developments such as this outside our country will bear on the internal organization of our mining industry in the future.

Senator's Shaft Down 1,400 ft.

From Our Own Correspondent

ROUYN. — With its shaft now down to a depth of 1,400 ft., Senator-Rouyn Ltd. is expected to get a programme of exploration underway on four new levels at 1,000, 1,125, 1,250 and 1,375 ft. this month with drifting to start first at the 1,000-ft. level.

A series of diamond drill holes completed some time ago to depth from the 875-ft. level gave ore indications at from 950 to 1,100 ft. depth with indications of improved grade and widths. Continuity of the main shear zone was also indicated to a depth of 1,650 ft. Consequently, results from the new levels will be looked forward to with interest.

Treat High Grade Ore

Treating higher than average grade of ore from above the 350-ft. level, the company has been able to show an operating profit of $367,612 up to Oct. 7. Loans and bonds have both been retired this year and net working capital is now reported at around $200,000. The high grade ore from above the 350-ft. level has been largely mined out and it is expected that average recovery will now show a reduction of $1 or $2 a ton to about $7 or $7.50 a ton in the near future. This will mean a reduction in the level of operating profits by a quarter to a half, it is anticipated.

At the beginning of this year, the company had proved ore reserves of 191,325 tons averaging 0.18 oz. gold per ton. If results on the 1,000-ft. level are as anticipated, the company will maintain its ore reserve position this year, it is stated. Broken ore reserves at the present time are about 20,000 tons or sufficient for 2½ months' milling requirements.

Placer Development has declared a dividend payable Dec. 17 of 25 cents a share, bringing total dividends for 1942, to 50 cents a share, compared with $1.20 a share for 1941. Most of the company's income in the past has been derived from Bulolo Gold Dredging, whose operation is now in Japanese-occupied territory in New Guinea. The Australian drive in New Guinea is getting closer to the location of the Bulolo operation, but even if all New Guinea is freed of the Japanese, it is not expected Bulolo will resume production until after the war.

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68th ANNUAL STATEMENT

Year Ending October 31st, 1942

Profit and Loss Account

Profits for the year ended 31st October, 1942 after providing for Dominion Government Taxes of $552,389.73 (of which $5,214.00 is refundable under the provisions of the Excess Profits Tax Act), after Contributions to Staff Pension and Guarantee Funds of $106,650.43, and after making appropriations to Contingent Accounts, out of which accounts full provision for bad and doubtful debts has been made	$ 836,149.05
Dividends at the rate of 10% per annum for nine months and 8% per annum for three months	$ 665,000.00
	$ 171,149.05
Written off Bank Premises	150,000.00
Balance of Profits carried forward	21,149.05
Profit and Loss Balance 31st October, 1941	698,842.22
Profit and Loss Balance 31st October, 1942	$ 719,991.27

BALANCE SHEET

LIABILITIES

Notes in Circulation		$ 3,470,817.00
Deposits by and balances due to Dominion Government	$ 16,046,266.27	
Deposits by and balances due to Provincial Governments	18,806,068.17	
Deposits by the public not bearing interest	82,122,050.85	
Deposits by the public bearing interest, including interest accrued to date of Statement	100,378,231.21	
		217,352,616.50
Deposits by and balances due to other Chartered Banks in Canada	$ 1,227,659.31	
Deposits by and balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries	2,108,929.17	
		3,336,588.48
		$224,160,021.98
Acceptances and Letters of Credit Outstanding		3,537,895.85
Capital Paid Up	$ 7,000,000.00	
Reserve Fund	8,000,000.00	
Dividends declared and unpaid	144,562.46	
Balance of Profits as per Profit and Loss Account	719,991.27	
		15,864,553.73
		$243,562,471.56

ASSETS

Subsidiary Coin held in Canada		$ 339,443.10	
Notes of Bank of Canada	$ 6,783,916.25		
Deposits with Bank of Canada	16,677,930.39		
		23,461,846.64	
Notes of other Chartered Banks		140,575.00	
Government and Bank Notes other than Canadian		76,992.44	
			$ 24,018,857.18
Deposit with the Minister of Finance for the security of note circulation			193,324.55
Cheques on other Banks			9,690,280.89
Deposits with and balances due by other Chartered Banks in Canada			675,368.37
Due by Banks and Banking Correspondents elsewhere than in Canada			6,579,130.19
			$ 41,156,961.18
Dominion and Provincial Government direct and guaranteed Securities maturing within two years, not exceeding market value		$ 68,679,342.21	
Other Dominion and Provincial Government direct and guaranteed Securities, not exceeding market value		38,283,298.03	
Canadian Municipal Securities, not exceeding market value		5,407,081.93	
Other Bonds, Debentures and Stocks, not exceeding market value		60,054.75	
			112,429,776.92
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures, Bonds and other Securities, of a sufficient marketable value to cover		$ 1,588,017.12	
Loans to Provincial Governments		417,895.48	
Loans to Cities, Towns, Municipalities and School Districts		3,159,193.81	
			5,165,106.41
Current Loans and Discounts in Canada, not otherwise included, estimated loss provided for			75,468,640.86
Non-current Loans, estimated loss provided for			133,274.48
Real Estate other than Bank Premises			19,719.23
Mortgages on Real Estate sold by the Bank			171,758.59
Bank Premises, at not more than cost, less amounts written off			5,424,633.09
Liabilities of Customers under Acceptances and Letters of Credit as per contra			3,537,895.85
Other Assets not included under the foregoing heads (but including refundable portion of Dominion Government taxes)			54,704.95
			$243,562,471.56

A. E. PHIPPS, *President*
H. T. JAFFRAY, *General Manager*

AUDITORS' REPORT TO SHAREHOLDERS:

We report to the Shareholders of the Imperial Bank of Canada:—

That we have examined the above Balance Sheet as at 31st October, 1942, and compared it with the books at Head Office and with the certified returns from the Branches. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In our opinion the Balance Sheet discloses the true conditon of the Bank, and is as shown by the books of the Bank.

A. B. SHEPHERD, F.C.A.
of Peat, Marwick, Mitchell & Co.
D. McK. McCLELLAND, F.C.A.
of Price, Waterhouse & Co.

Toronto, 17th November, 1942

Are You Paying Too Little or Too Much?

What is the Proper Tax For Your Business to Pay?

To answer the questions involved in today's complicated tax setup, Molyneux L. Gordon, K.C., Toronto, has written this new and authoritative series of articles for The Financial Post.

Mr. Gordon has specialized on tax questions, and is the author of "Digest of Income Tax Cases of the British Commonwealth of Nations," published by the Department of National Revenue, Ottawa, 1939 with one supplement 1937-39 and another to appear next April. Mr. Gordon is also the author of, "Digest of Excess Profits Tax Cases of the British Commonwealth of Nations, 1942." Any of these works may be obtained on application to The Financial Post, Toronto.

Taxes on Personal Corporations

Article Number Ten

By MOLYNEUX L. GORDON

A personal corporation only pays income tax on that portion of its income which is distributed to non-residents.[1] It only pays excess profits tax on that portion of its income which is not derived from investments. In cases where the total income has been paid over to the shareholders, any further dividends paid out of capital are free from tax.

Dividends paid by a personal corporation shall be deemed to be paid out of income earned after Dec. 31, 1924, so far as the same is available.[2]

These are very important advantages; but most of them are offset by the fact that if you are a shareholder in a personal corporation the income of that corporation, whether actually distributed or not, shall be deemed to be distributed on the last day of each year[3] and is taxed in the hands of the shareholders.

What is Personal Corporation?

A personal corporation is defined[4] as a corporation controlled directly or indirectly by one individual who resides in Canada, or by such individual and his wife or any member of his family, and which obtains at least one fourth of its gross revenue from certain kinds of investments mentioned in the act. If the Minister is of the opinion that the corporation carries on an active commercial business he may declare[5] that any corporation which qualifies in other particulars is not entitled to the privileges or subject to the disabilities of a personal corporation.

In order to determine whether any corporation is a personal corporation, it is necessary to examine the language of the Act. The first word to consider is the word "control." This word has been before the courts for interpretation on many occasions and in spite of the fact that a South African court lays down the ruling[6] that you can only look at the share register to determine this question, there is little doubt that if a shareholder holds part of the stock and controls a company which has sufficient additional shares to make up 51%, that the first company is controlled by the shareholder who holds control of the second company.[7]

The better opinion seems to be that if in fact any one shareholder can give orders the company is controlled by such person: that is to say, if a man holding 50% of the stock is also entitled to a casting vote as president of the company[8], he falls within the definition. "Control" must be actual legal control and it is not sufficient that 51% of the stock is held by persons who are business associates, friends, relatives or debtors of the main shareholder and are likely to carry out his wishes.[9]

When Control Changes

If control changes during the course of the fiscal year, the critical date is the last day of the year;[10] and there is nothing to prevent the person in control from selling some of his shares shortly before such date.

In a case in England the controlling shareholder of a company which was about to distribute £100,000 in dividends (which would be equivalent to £100 per share) sold his shares for £75 each promising to pay a dividend of £100,000, and duly carried out the promise. It was held[11] that the controlling shareholder was entitled to do this notwithstanding the fact that it enabled him to escape payment of a very large sum in income tax.

Family or Executors

The next words to be considered are the words "by one such individual and his wife or any member of his family or by any combination of the same." The Canadian Exchequer Court has held that these words include the executors of a deceased taxpayer[12] and that, when a taxpayer who held shares in a personal corporation died and these shares vested in his executors, the corporation remained a personal corporation and was taxed as such.

The Alberta Courts have held[13] that these words did not include a married son who was not living with his father but in his own home.

If a personal corporation is the owner of mining stock and entitled to a depreciation allowance on the dividends or makes a capital profit, the shareholder is entitled to the same deductions and exemptions[14] as if he personally owned the assets and not the personal corporation; and where the dividends on mining stock were payable in U. S. funds which were at a premium, it was held[15] that the shareholder was also entitled to a depreciation allowance on the premium.

Transfer of Property

Section 32 of the Canadian income tax act provides that where a husband transfers property to his wife he shall continue to be taxed on the income in the same way as if such transfer had not been made. But section 21, which deals with income of a personal corporation, provides that each shareholder shall be taxed on that portion of the income of a personal corporation as the value of the property transferred by him to the corporation bears to the total value of all the property acquired by the corporation from its shareholders.

In a case dealing with family corporations, which are in somewhat the same position, the Exchequer Court held[16] that notwithstanding the fact that the husband had given his wife certain property, yet when this property was transferred to a family corporation the assessment must be in accordance with section 21 and not in accordance with section 32 and consequently the wife was taxed instead of the husband.

Some years ago a wealthy taxpayer desired to operate a stud farm and he transferred to a corporation securities of considerable value the interest on which was sufficient to meet the losses incurred in operating the farm. The court held[17] that as long as the corporation was bona fide engaged in breeding horses it could only be taxed on its net income and the moneys earned on interest from securities could be set off against the losses incurred in operating the farm.

(1) Income War Tax Act, s. 21 (9); (2) Income War Tax Act, s. 21 (6); (3) Income War Tax Act, s. 21; (4) Income War Tax Act, s. 2 (i); (5) Income War Tax Act, s. 2 (i); (6) Income Tax Case No. 375 (1937) 9 S.A.T.C. 327; (7) Income Tax Case No. 388 (1937) 9 S.A.T.C. 466; (8) Commissioners v. Noble (1926) 12 T.C. 911; (9) Income Tax Case No. 367 (1936) 9 S.A.T.C. 208; (10) Income Tax Case No. 356 (1936) 9 S.A.T.C. 95; (11) Bilsland v. Commissioners (1936) 2 K.B. 542; (12) Port Credit Realty and the Minister (1937) Ex. C.R. 88; (13) In re Ramsay (1939) 1 W.W.R. 725; (14) Black and the Minister (1932) Ex. C.R. 8; (15) Wilson and the Minister (1938) Ex. C.R. 246; (16) Patrick and the Minister (1936) Ex. C.R. 38; (17) Hatch and the Minister (1938) Ex. C.R. 208.

Why Publish British Rulings?

Some readers of The Financial Post who have been following the articles on income taxes written by Molyneux L. Gordon have wondered why so many of the legal decisions cited have been by courts in other parts of the British Empire. The Post has asked Mr. Gordon to make this point clear for readers not acquainted with the legal aspects of income tax. In the explanation which follows, Mr. Gordon answers this question.

By MOLYNEUX L. GORDON

An examination of the 68 Canadian income tax cases gives a simple answer to this question. It will show that the Canadian courts referred to 276 cases decided in England and other parts of the Empire.

There are some reasons why the Canadian courts refer to authorities in other lands.

In order to ascertain the amount of your income for tax purposes you are entitled to eliminate all receipts of a capital nature because the Canadian statute imposes a tax on income and does not impose a tax upon capital. Subject to minor exceptions, the Canadian statute does not refer to capital and there is nothing in the statute which indicates the difference between a capital receipt and an income payment.

The subject is a most intricate one and depends largely on who you are, what you do and how you do it; and a case decided in South Africa will be treated with almost as much respect as a case decided in Canada.

In order to ascertain your income you must add up all your income receipts and are entitled to deduct certain expenses. The statutes in force in Canada and other parts of the Empire give no indication of the kind of expenses you are entitled to deduct; but, on the contrary, only forbid the deduction of certain expenses mentioned in the acts. In order to solve this question you have to find out what you are entitled to deduct by considering what you may not deduct.

The deductions forbidden in Canada are almost exactly the same as the deductions forbidden in other parts of the Empire. In some cases the language of the section is identical; the principle is exactly the same; and for this reason cases decided in other parts of the Empire are of great help in determining your rights in Canada.

In dealing with this subject you must not overlook the fact that although the statutes are similar they sometimes contain important differences. Perhaps one of the best examples of this is the clause in the Canadian act which declares that stock dividends are taxable. Apart from this provision, a stock dividend is of a capital nature and ought not to be included in your income, but in view of the specific provision in the Canadian act, cases decided in other parts of the Empire which hold that a stock dividend is non-taxable are of no help in determining your liability in Canada, because this is one instance where the law is entirely different.

There are two additional reasons why people considering liability for tax in Canada find judgments in other parts of the Empire of great assistance.

Trade seems to follow different channels in other parts of the Empire. For instance, in India money-lending is a most important activity and if you have to deal with a question of bad debts, interest or bankruptcy, you will probably find an Indian decision which will throw considerable light on the subject. South Africa is rich in minerals and many cases have been decided on the liability of prospectors, promoters and others engaged in this industry. In Australia there has been a mass of litigation as to the liability of a resident of one state who carries on business in another and almost every phase of the situation has been discussed and decided.

The second reason is that when a case comes before the court the judge usually discusses the various arguments which have been presented by the taxpayer and by the Internal Revenue Department. In a few cases the courts have indicated methods by which the tax might be reduced, and in many cases they have, on the same set of facts, held that one taxpayer is liable and in a subsequent case the same taxpayer has been held non-assessable because of a change in plan. The information you can obtain from these judgments is of the greatest assistance in planning your business so as to obtain all legitimate deductions in tax.

Your Income Tax

Loss on Bonds

Last February I bought $15,000 Victory bonds. To purchase same I borrowed from the bank and gave my personal note and $3,000 Saskatchewan bonds as collateral security for the loan. I paid 3% on 90% of the loan and 4% on the balance. I bought the bonds at par and resold 30 days after purchase at 99.50. Would the loss incurred in the transaction be deductible from my income tax return? If so what item could be specified as a deduction?

No, the loss would be a capital loss and would not be deductible from your income for tax purposes.

Loss Through Fire

Is a loss through a fire, because of insufficient insurance on stock or real estate, deductible from profit?

This is a case where you would be well advised to discuss the matter with the income tax authorities as individual circumstances might have a bearing on the situation. We understand there would be a difference as regards the loss on the stock and that on the buildings. Losses incurred this way on stock would probably be deductible. But losses on the buildings might be treated as a capital loss and so not deductible. The best plan is to get an official ruling from the authorities.

Office Safe Expenses

In one of your recent issues you indicated that rent paid for a bank safety deposit box would not be deductible from income in computing tax. What about expense of maintenance and depreciation of an office safe?

Expenses in connection with an office safe are normally a regular business expense and as such would be deductible, we understand. The case of a safety box would depend on whether it was part of the individual's usual business expenses or not. For instance in the case of a broker or bond dealer, it is part of his business equipment. In the case of a private individual the safety deposit box would normally not be a factor in his business.

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THE FINANCIAL POST
Canada's Foremost Business Newspaper
Toronto, November 28, 1942

Outfitting Our Fighters

Canada's War

Production on Parade

One of a Monthly Series

'General Winter' Fights For the Best Clad Troops

This Winter, Even More Than Last, Weather is One of Our Strongest Allies Against the Nazis — An Ally That Has Been Won For Us by Superior Clothing and Equipment

[illegible]

To put Canada's 600,000 fighting men in uniform, put rifles in their hands, packs on their backs and to fill those packs and kits with the basic equipment of the fighting man is a 100 million dollar job. That's without allowing anything for replacements or aid to our allies.

It is the first job in modern war, the job that must be done if full use is to be made of the Ram tanks, the 25-pounder guns, the Lancasters and Hurricanes and dive-bombers and corvettes that Canada builds to give her armed men their striking force. Without that basic equipment, all the panoply of modern war would become a dagger without a haft, a gun without a trigger.

How vital clothing is to the fighting man was demonstrated forcibly by Hitler. Despite heartless looting of occupied Europe, the Nazi troops last winter shivered and gave ground before the attack of Russian troops who had only one advantage—the warmth of their uniforms, many of which were made from Canadian cloth.

Fuehrer vs. Frost

Again this winter the Nazis will shiver and the "conquered" peoples whom they despoiled of woollens will be even colder. The slave fingers that turn out the munitions of the New Order will be even less nimble than they were last winter. Workers in the arsenals of the United Nations will have no such difficulties to contend with.

In a war where early disappointments piled one atop the other, the United Nations have learned to distrust the power of General Winter and General Mud. Those generals were unable to defeat the Nazis in the days when Hitler's battle harness was new and shining, when his tanks were the best in the field and when his airplanes swept the skies. But in this fourth year of war, those generals are still fighting on the side of the Allies, and all Hitler's conquests have failed to bring him new sources of wool, cotton, leather or rubber.

Enlisting the Weather

What makes the weather fight for the Allies is a network of vast peacetime industries that have normally no connection with war, but without which no long war can be fought.

They start on the ranch lands of Canada, the United States, Australia and New Zealand and South America. They have their roots in the cotton lands of the south, in the forests of Canada. They develop through the woollen and cotton and rayon mills, some of the finest of which have been built and run by Canadians.

In a little over three years, these vast industries have funnelled a growing proportion of their output into the channels of war. Today, four fifths of the entire textile production of Canada goes to the armed forces, and military demands alone are greater than the entire output of civilian years (see page 16).

Putting it another way, the textile industries are now producing as much for the 600,000-odd fighting men of Canada, and for the soldiers of our allies, as they used to turn out for the entire 11 million population of Canada. Straight arithmetic makes it look as though a soldier needs about 18 times as much clothing as a civilian. The ratio is on the high side, because of the work being done for allied armies, but by the time replacements are taken into account, the exaggeration is greatly reduced.

Three Suits for One

Don't forget that a recent Gallup Poll showed that the great majority of Canadian men have three suits of clothes or less apiece, might purchase a new suit once a year, seldom oftener. But the active soldier is issued with two suits of battle dress and a walking out uniform, three blankets and a great coat.

Consistently facing more bitter weather than any of the other branches of the armed services are the men of Canada's destroyers, corvettes and mine sweepers. This is what it costs to clothe a typical Canadian sailor:

Compulsory Kit	$183.83
Winter Clothing	8.10
Special Clothing ...	25.00
	$216.93

Serving in Arctic cold and tropic heat, the army requires the best there is in clothing and personal equipment. To put a soldier into uniform it costs:

Clothing	$101.31
Equipment	88.13
	$189.44

Canadian fliers have written a memorable history on the home front, the Battle of Britain and the Battle of Africa. The uniform and equipment of each of those sky-fighters costs:

Ground equipment..	$100.67
Flying clothing	46.00
	$146.67

All in all, the initial equipment for Canada's 600,000 men and women in uniform is a $100 millions job. And that equipment must be replaced at far more rapid rates than civilian clothing.

Altogether, the soldier picks up some 80 pounds of wool in his first trip to the quartermaster, against which an average civilian, with his one suit a year and a few replacements would seldom require more than perhaps 10 pounds of wool a year.

The ability to meet these demands for wool goes back to two vital factors. First has been the successful defense of Australia against Japan, and the maintenance of Pacific communications. (In terms of immediate impact on the Canadian civilian, New Guinea and the Solomons are the most important world battlefronts.)

Once continued supplies of raw wool had been assured, the most important factor in keeping Canadian troops and civilians warm has been the existence of a fully integrated Canadian woollen industry. About the only major addition which had to be made to wool processing equipment was the installation of further wool-combing equipment. Although a number of Canadian plants had this equipment — which separates the long wool fibres from the short preparatory to making worsted cloths—Canada had imported a good proportion of the prepared long fibres from British specialists.

From Peace to War

More important has been the change within the industry itself. The technical changes to permit capacity operation have taxed the elasticity of Canadian plants, and have been complicated by the changed and rigid specifications of the new products for the armed forces. The immensity of the job that the woollen mills have accomplished is thrown into relief when it is realized that it could not have been achieved if a strong peacetime industry had not been developed before the war. The same basic story carries through to the tailoring industry. (See page 19.)

Essential as they are, the jobs that wool performs are limited to the main function of keeping soldiers warm, basically the same duties that are carried out in peace. The cotton mills have a wider scope.

Cotton provides clothing, it makes the harness to carry the soldier's pack, it makes the packs, it provides protection for men and machines, it allies with rubber and resins to keep out rain and gas. (See page 20.)

In addition to facing a staggering increase in total demand, the wartime need for cotton shifts the emphasis. Heavy webbings and tarpaulins, required in small quantities for the peacetime economy suddenly doubled and trebled their share of the total demand. (See page 17). For a time, the demand for heavy yarns so monopolized Canada's spinning capacity that there was a temporary famine of lighter knitting yarns for underwear, etc.

But any difficulties which have from time to time beset the Canadian cotton mills have been attributable more to a lumping of military requirements than to any basic deficiencies. The Canadian industry has been rated one of the most efficient in the world, even by its competitors in other nations, and the performance in World War II has strongly justified the claim.

In both wool and cotton there have been important changes in the raw materials used and in the sources from which they are procured.

Changing Sources

Before the war, most of Canada's raw wool came from Australia and New Zealand, through Great Britain. Now it comes direct. Canadian grown wool, which used to provide 15% of Canadian domestic requirements, will, if current plans bear fruit, provide some 25% of the total for 1942. In addition, salvaged and reworked wool is being used to an increasing extent. Always an important ingredient, reworked wool is vital to a country facing the tremendous increase in demand caused by war.

First casualty in the cotton trade was the entry of Italy into the war, when the disruption of shipping to Egypt cut off our supplies of the long fibre cotton grown on the Nile delta. For a time this was replaced with Georgia's Sea Island cotton, but the soaring demands from every corner of the United Nations have made it impossible to continue to employ as large a proportion of the finer cotton grades.

Greatest shifts in raw materials have been felt by the silk processers. Fortunately for Canada, the shift to rayon, celanese, bemberg and cotton was made gradually, beginning in 1941. Silk broadcloth was the first to go, and the silk was gradually, almost painlessly, removed from silken stockings.

Most important result from a military point of view is that there has been no hold-up in parachute output. By the time natural silk supplies had scraped bottom, domestic production of nylon was able to take up the slack. Much prominence has been given to the fact that Japan won her first victories with metals bought in North America. Note that our own stocks of Japanese silk have helped safeguard the lives of fliers and paratroopers training to bomb Tokyo.

Lumped together, the contributions of the various branches of the textile industry mean warmth, comfort and efficiency, three main supports of soldier and civilian morale.

In these pages, The Financial Post reports on the industries that provide our first and basic war equipment, and on aspects of the morale building which starts where adequate material provision ends.

On the sound foundation laid by the textile industries, the army has built a complex mechanism for building, measuring and maintaining fighting spirit. (See page 23.) The part that the motion picture industry has played is reported on page 18, while articles dealing with morale in industry appear on pages 26 and 27.

Morale is the end product of good equipment, good weapons, good food and shelter, and a just cause. It can be developed and encouraged, but it cannot be counterfeited. In the end, it wins the victory.

WOOL—These sweaters help to sink subs.

METAL—for defense and offense.

LEATHER—One hide makes four boots.

COTTON—From Canada to the desert.

Economy Helps Clothe Forces

Civilian Savings Provide Needed Material for Armed Services

Conservation on the home clothing front has had a remarkably important effect in adequately equipping the fighting forces. It has now been proved that without such early steps the Canadian clothing situation would be immeasurably tighter than it is at present.

Production of men's suits prior to enforcing of restrictions early this year was running at an annual rate of about 1.5 million suits. Each suit requires about 3½ yards of woollen cloth.

But the Department of Munitions and Supply is buying uniforms at a rate of a million a year and more — and each battledress uniform worn by a Canadian soldier requires 3¼ yards of the heaviest grade of woollen serge.

Unrestricted buying by civilians along with mounting war needs would have brought a severe shortage. Thus came elimination of trouser cuffs, double breasted coats, a few other minor limitations. A limitation has been placed on styles of clothing—Canadians have to be content with last year's styles for men and women for the duration.

Mass Tie Purchases

To date this year, Munitions and Supply has bought two million black neckties, for use by men and women of the army, airforce and navy. This required 300,000 yards of celanese for the ties and another 100,000 yards of wool and cotton material for linings.

Checking down the list of clothing equipment issued to men and women in the army, it is found that a field service cap for the army requires one sixth of a yard of cloth; a cap for a member of the C.W.A.C. requires one fifth of a yard. Each suit of battle dress requires two yards of serge for the blouse and 1¼ yards for the trousers. Each suit of walking out dress requires the same yardage. And each soldier gets two suits of battledress and a walking out uniform, not to mention underwear, socks and summer uniforms.

Less for C.W.A.C.

The uniform given to a member of the C.W.A.C. requires three yards of serge, or a quarter yard less than goes into one battledress suit. For greatcoat, that for the men uses 3¼ yards of material and for women three yards. Thus to equip each soldier with his initial issue of uniforms alone requires over 13 yards of woollen serge, without considering the wool and cotton going into his underwear and his socks or his blankets. Each woman is issued uniforms requiring almost 10 yards of wool serge.

Soldier's socks average three lbs. per dozen pairs which means that to keep him supplied with the average of 12 pairs a year he will need will require three pounds of wool, or almost half the wool that a sheep can grow in a whole year.

More for Summer

It requires more yards of material to make the summer uniform jacket than it does for the winter jacket or blouse. The reason is that woollen goods used in military uniforms average from 54 to 56 inches in width while the cotton material used in the summer kit averages from 30 to 36 inches. A suit of combination overalls of the type given to each soldier requires six yards of cotton material. His summer uniform jacket requires three yards; his khaki shorts use another 2 1/5 yards.

Winter underwear for men in the army is made from 50% woollen material. Each shirt averages 12 oz. in weight and each pair of drawers averages 10½ ozs. Women get a wool and cotton jacket sweater of material containing 50% wool; this weighs 20½ ozs.

Bringing these statistics down to terms of civilian consumption of these textiles, it is found that the restrictions placed on men's clothing have contributed substantially to the needs of clothing the armed forces. Wartime Prices and Trade Board estimates that eliminating the extra pair of trousers with new suits saved about 1.1 million yards of materials. This would be enough to make about 370,000 battledress uniforms. It is claimed that eliminating cuffs of men's trousers saved 139,000 yards, or enough to make about 46,000 greatcoats for members of the C.W.A.C.

Big Savings

It is claimed that modifications in men's clothing, as introduced by W.P.T.B., should result in enough savings in materials to make one uniform for every soldier, sailor and airman in Canada's armed forces, leaving enough left over to uniform every woman in the active service forces.

This brings the civilian restrictions and the needs of the armed forces into perspective. It explains the problem faced —a two-fold one of securing enough wool and cotton material for both civilian and military needs and the other problem of securing manufacturing capacity to make the cloth and to turn it into battledress uniforms for the army, uniforms for the C.W.A.C., or for men and women of the other services—and to provide each man and woman in civilian life with their essential needs for clothing.

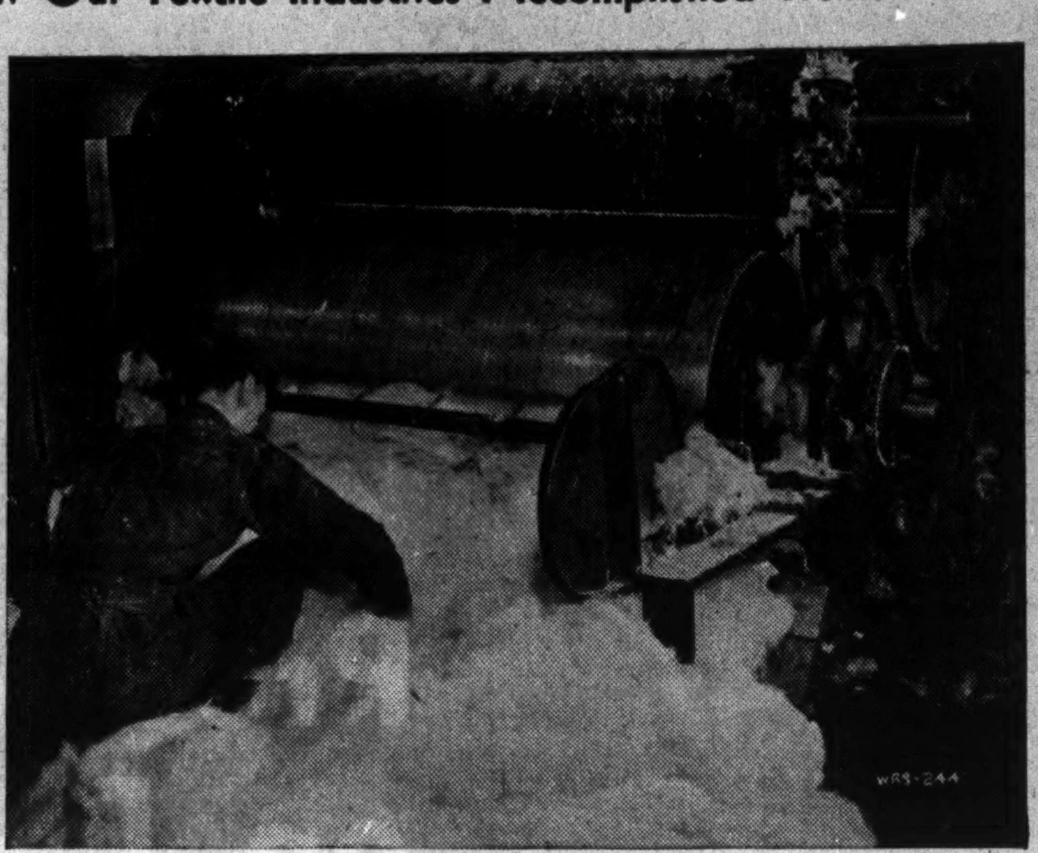
Post Report for November—

Clothing, Equipping the Forces, Maintaining a Fighting Spirit

Cloth for Uniforms

Canada Clothes the Forces

How Our Textile Industries Accomplished Tremendous Job



Salvage plays an important part in clothing Canada's fighting men. Here is salvaged wool coming out of the "picking machine" after which it will be carded and spun into yarn.

While consumption of cotton and wool by Canada's textile industry has doubled since the war began that flow has been diverted to military uses, civilian supply has been drastically reduced. Both to conserve wool stocks and leave machines clear for war production civilian customers are now getting by on only something like 20% of the industry's output.

Behind that tremendous shift in production has been the epic expansion of Canada's armed forces. On top of clothing the 600,000 Canadians now in the services the textile industry is meeting heavy commitments from the United Kingdom, is supplying military clothing for use in South Africa, Russia, Egypt, Australia and others of the United Nations.

That switch over to a predominant military production has meant new demands on the textile industry's know-how. There are types of military cloth which are not produced at all in peace time; specifications for all types of military cloth are rigid, demanding unceasing vigilance in their production. From its long years of production experience, the Canadian textile industry has drawn on its expert knowledge to meet the great challenge to clothe the forces.

Biggest worry, however, to the textile makers has not been their production capacity to meet swelling military demands or their knowledge to turn out new fabrics, but supplies of the raw materials out of which the cloth must be made.

Of the 109 million lbs. of greasy wool Canada consumed in 1941, we produced only some 15%. Most of the balance came from Australia through purchases from the British Wool Board which handles the entire Australian wool clip. To help reduce the weight on that long sea haul domestic wool production is being expanded, perhaps to 25% of consumption; use of new wool for civilian purposes has been slashed.

Canada, of course, produces no cotton. Long reliant on U. S. cotton, Canada was gradually turning more to the Brazilian product. Tightening of war conditions in western hemisphere waters, however, has meant that cotton shipments must be fitted into the general shipping pattern. The shipping situation has again entered importantly into the question of supply of the valuable Egyptian long fibre cotton. The long haul necessary has naturally tended to slow deliveries.

Despite all these changed conditions in supply of cotton and wool the textile industry has been able to keep production at top levels. While deliveries may have been slow, even disrupted, from time to time, the industry's ability to cope with such situations has been amply demonstrated by unfailing production.

80% For War

Orders placed by the Department of Munitions and Supply during the last few weeks are expected to mean that 80% of the woollen and worsted industrial plant facilities in Canada will be engaged for almost a year in making military clothing alone.

Sufficient cloth has been ordered to provide for the manufacture of one million complete suits of battle dress and 500,000 overcoats. The latest woollen and worsted orders of the Munitions Department total 8,461,000 yards. Included were 5 million yards of drab serge, 1.8 million yards of drab frieze, 463,000 yards of blue serge and 338,000 yards of naval serge.

Such heavy orders are a tribute not only to the productive capacity of the industry but to the quality of the product. Canadian made serge, used in the army battle dress, is tough and rugged material which General McNaughton has stated to be substantially more serviceable than battle dress serge produced in Great Britain.

According to the Canadian Woollen & Knit Goods Manufacturers' Association, cloth for military use is being produced at the rate of 19 million yards a year by the woollen and knitting industry. This represents a greater yardage for military purposes alone than was produced before the war for civilian use.

Rate of military blanket production is over a million a year. Socks and stockings for military use are being knitted at a rate of more than five million pairs a year, underwear at the rate of four million. In addition, large quantities of sweaters, gloves, cap comforts and so forth are being knitted.

Scientifically Built

The end product from all this effort is something of which Canadian industry may be proud. The scientifically built uniform that covers Canadian fighting men is of drab serge which weighs between 21 and 22 ozs. to the yard. The average soldier requires 3⅛ yards. With this must go 2⅛ yards of lining. The completed suit weighs from four to four and two-thirds lbs., depending upon the size.

Simplification

As in making civilian clothes, there has been a streamlining programme in manufacture of military uniforms for officers and warrant officers. Box pleats have been omitted from the breast pockets of tunics, and lower coat pockets have been simplified. The sleeves on officers' jackets now will be without ornament, since "built on" cuffs have been eliminated. These steps mean a standardized procedure for the companies which tailor uniforms, and there is an appreciable saving in the amount of cloth required.

Putting the troops in uniform has been a major factor in the tremendous increase in Canadian consumption of cotton and wool. In 1938 the Canadian cotton industry consumed 141 million lbs. of raw cotton, and in 1941 it used 247 million lbs. In 1938, we consumed 58 million lbs. of greasy wool, and in 1941 the total was 109 million lbs.

Between actual growing of the wool, and the finished product, there is a complicated series of operations.

The wool must first be washed, dried and dusted. Then it is blended for the carding operation, preparatory to spinning yarn.

After the yarn is woven into cloth, the wool is inspected for various weaving defects. It is then ready for the filling or felting operation, in which the cloth is impregnated with filling materials, and passed through a series of rollers. After the cloth is washed, it goes through about 20 operations before its final inspection.

New Problems

The achievement of industry in producing a great volume of cloth for military purposes is rendered even more noteworthy by the fact that many types of such material are not ordinarily turned out in peacetime.

When war broke out, the woollen branch of the industry offered its service as a unit for the orderly production of wool textiles. The mills pooled their technical knowledge and experience, loaned or exchanged raw materials, and within two months more than 50 woollen plants in all parts of Canada were busy on military orders. This co-operation was responsible for the quick production of the 18 types of cloth and four types of blankets required.

While the demand for fabrics from the Dept. of Munitions & Supply is similar to that earlier in the war, in some instances greater proportions of reworked wools are allowed than was the case only a year ago. The development of mixtures in cloth weaving may well be one of the major postwar influences arising from wartime production. Wool and rayon are now being blended so expertly that the fabric is distinguishable from all-wool only by the most expert eye. So satisfactory is the mixture that navy greatcoats are now being made of wool, with a 30% rayon mixture. The combined yarns are also appreciably cheaper than the former product.

An outstanding recent addition to the list of fabrics being produced is the cloth to meet the demand arising from the heavy enlistment of women into the armed services.

Wide Range

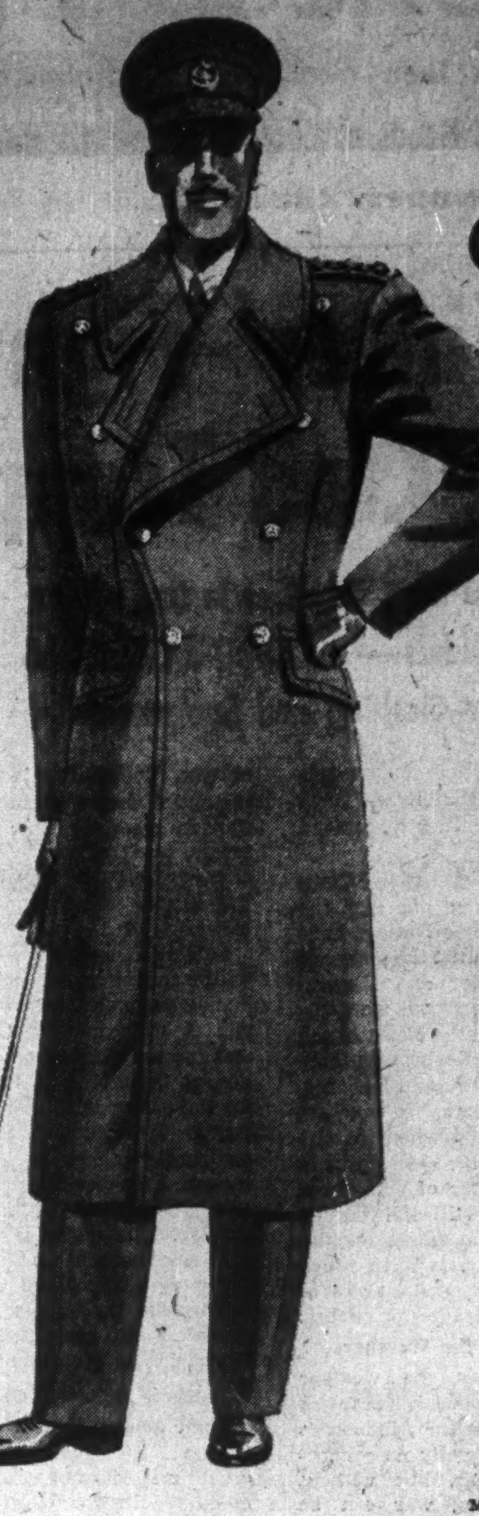
The cotton industry has also played an important part in war production. For military uses, it produces such materials as drill for battle dress, duck for gun covers, kit bags, bandoliers and tents, oil skin coats, blankets and hammocks, tarpaulins, tire fabrics, camouflage cloth and netting, parachute attachments, cartridge carriers, machine gun slings, revolver holsters, rifle slings and ordinary shoe threads. The industry is turning out a special material for gas masks, aircraft fabric, and cloth for powder bags.

Converting Cotton

From the raw cotton to the finished cloth is a long series of operations which first sees the cotton spun into yarn, then woven into grey cloth — the base product for the converting companies. The grey cloth is then bleached to remove unwanted ingredients and dyed. Final step is to the finishing machine which restores bulk that the cloth has lost through the various processes.

While this industry is generally looked upon as well established with few new ideas coming in, wartime experience has actually fostered new technological developments that will carry through into the days of peace. Scouring, dyeing, drying and finishing operations have been greatly improved through increased use of specialty chemicals and finishing agents. Drying speeds have been increased with package dyeing of yarns increasing in many establishments. New drying equipment permits higher drying speeds with less damage to the material under treatment. Use of synthetic resins has been increased to prevent shrinkage and creasing of cotton goods and also to improve color fastness on dyed materials.

It has been found that the type of uniform worn has a very important influence on the morale of its wearer. A cheerful fighting spirit is hard to maintain when the soldier has to put up with clothing of inferior quality.



GREATCOATS

for officers of the
Navy, Army
and Air Force

SIMPSON'S Military Tailoring Shop offers expert service on greatcoats for naval, army and airforce officers. Officially approved English fabrics, of a quality excellent in both appearance and serviceability—tailored-to-measure with careful attention to details of cut and workmanship, in strict accordance with regulations.

Illustrated—Army officers' greatcoat in the new "Alternative" model with convertible collar.

Simpson's

MILITARY TAILORING SHOP—SECOND FLOOR.

MILLS, WOODBRIDGE, ONT.

COTTON, *too*,

has its place in the pattern of victory

To equip the armed forces of the Dominion has been a gigantic undertaking. The personal outfitting of the men has itself challenged the industrial capacity of Canada's textile mills to a degree unthought-of before the war. Yet in every theatre of war, as well as in training camps here and abroad, Canadian soldiers, sailors and airmen wear made-in-Canada uniforms and other clothing.

CLOTH FROM WOODBRIDGE

From this little town twenty miles from Toronto comes an almost unbelievable flow of cotton materials of a quality worthy of the fine calibre of men who comprise Canada's fighting forces.

Made by the Loyal Workers
in the Modern Plant of

W. ROBINSON & SON CONVERTERS LTD.

HEAD OFFICE: 55-57 Wellington St. W., TORONTO, ONT.

Branch Sales Offices:
MONTREAL, QUE. WINNIPEG, MAN. VANCOUVER, B.C. MANCHESTER, ENG.

Representatives Abroad:
W. L. GILBERT & CO. PTY. LTD.
Broughton House, Clarence St., Sydney, Australia

IMPERIAL AGENCIES
88 Harbour St., Kingston, Jamaica, B.W.I.

THE WEST INDIAN SUPPLIES CO.
44 Swan St., Bridgetown, Barbados, B.W.I.

KAYSER

A world renowned name for
Ladies
FULL FASHIONED HOSIERY
UNDERWEAR SLIPS
GLOVES

JULIUS KAYSER & CO., LIMITED

Mills:
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Sales Office:
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TURNBULL'S
CEETEE
PURE WOOL

UNDERWEAR

THE C. TURNBULL CO. LIMITED

GALT — ONTARIO

Established 1859

The only Manufacturers in Canada making Full Fashioned Underwear

Equipment Costs

Ten Sheep Per Soldier

He Needs Their Wool for His Uniforms and Blankets, Needs a Whole Hide for His Boots, a Seventh-acre of Cotton land for His Webbing and Lighter Clothing.

Each soldier in Canada's active army is a walking advertisement for Canadian industry.

His 70 items of personal equipment are worth $189.44 in dollars. In terms of business activity, they are worth ten sheep, one steer, about a seventh of an acre of cotton land. Here's how it works out.

It takes 80 lb. of wool, as it comes from a sheep, to dress a Canadian soldier and provide him with three blankets. In other words it takes the wool from 10 sheep to equip one fighting man, and each sheep grows only one fleece in a year. To keep a soldier in training for one year and give him his initial equipment requires the wool from 26 sheep, or about 200 lb.

Each soldier's initial equipment takes about 36 lbs. of raw cotton. His web equipment alone requires 15 lb. of cotton. These figures allow for waste in processing.

Taking what may be a high figure for average yield of cotton, 270 lb. per acre, it appears that the most optimistic figure would have each acre providing raw cotton sufficient for initial equipment for 7½ soldiers.

In 1941 Canada produced 14.5 million lb. of shorn wool from 1,925,000 sheep. Final figures for 1942 are not yet available but it is probable that both the amount of wool produced and the number of sheep shorn was well above the 1941 level.

But using the 1941 figures as a base, it appears that Canada's entire output of wool that year would have been sufficient to keep less than 75,000 soldiers clothed for a year under training conditions, or to provide initial equipment for about 180,000 men. The rest of the requirements, and enough for essential civilian needs, must be imported, mostly from Australia, New Zealand, South Africa or Argentina.

A soldier's equipment also requires metal. His rifle and bayonet are almost entirely made of metal—high grade alloys at that. Other parts of his equipment need smaller amounts. A soldier's original issue uses about 35 lb. of metal, going chiefly into his rifle and bayonet but also including his mess kit, his knife, fork and spoon, his clasp knife and his razor, as well as fastenings throughout his uniform and equipment.

Thus 100,000 soldiers would require 3,500,000 lb., or 1,750 tons, of metal.

10 lb. of Leather

Starting each soldier off with two pairs of ankle height boots, one pair of walking out shoes, and other items requiring leather, takes 10 lb. of leather. This makes no allowance for replacements as he wears out his shoes or damages other equipment. It is only enough to supply one soldier with his original issue.

What makes this amount of leather even more important in terms of Canada's total production of tanned leather is the fact that the army insists on using only the best grades. For the soles of army boots, for example, only the thickest and heaviest of sole leather is accepted.

Four Boots Per Hide

This means that only the choicer portions of the hides can be used — but also means that soldiers' feet suffer less. The army estimates that it can get four boots—just enough to provide one soldier with his initial issue—from one hide.

This is only the beginning. There are replacements to consider, but here the estimates must provide for a wide range of contingencies. Under ordinary active service usage while training, the army estimates that each soldier will need two suits of battledress each year. If he goes into action this might easily mean two suits each month; if he encounters gas, it probably means immediate replacement of his entire uniform, as gas is invariably destructive of textiles which are not specially treated.

Socks Each Month

The army orders the equivalent of about 12 pairs of socks annually for each soldier on active service. The air force does not require quite so many.

All of this adds up to a tremendous job for Canadian industry. The largest portion of the personal equipment given to each soldier is the product of the textile industry, or uses a textile product at some stage in its manufacture. Even his boots require cotton linings, and his web equipment is made of cotton. His rifle is carried in a sling made of cotton. And it is important to remember that Canadian industry is not only producing all the personal equipment needed by the men and women in our own armed forces, but is also making millions of yards of cloth, thousands of pairs of boots, for our Allies.

Trade Channels

The war has brought an opportunity for Canadian industry to reverse some of the old established trade channels. It used to be true, for example, that Canadian textile makers met much competition from British manufacturers shipping cotton and woollen goods to this country. Today, Canadian manufacturers are shipping millions of yards of both kinds of cloth overseas, much of it to Great Britain itself.

Some of this is being paid for by the United States under its lease-lend aid to the Allies, but it has been found that only Canadian mills are equipped to turn out the types of cloths wanted by the British. American army uniforms are generally made from a finer type of wool serge.

80% For War

What this problem of producing personal equipment for the armed forces involves may be estimated from the fact that orders for military clothing now on hand will require upwards of 80% of the entire productive capacity of woollen and worsted industrial plants for almost a year. Recently Canada was producing textiles for military purposes, clothing and munitions, at the rate of 19 million yards annually. This is more than the industry's entire prewar production for civilian use. Over a million military blankets are being made, over five million pairs of socks and stockings are being knitted, and over four million underwear garments are being turned out annually. This is in addition to large quantities of sweaters, mufflers, gloves and other items. At the same time, an adequate supply is being maintained for the civilian population.

The job is a complicated one, with the woollen mills producing 31 different types of cloth for military purposes and four types of blankets. The cotton mills turn out 17 different types of cloth for personal equipment such as clothing and web equipment, more than 20 other types of cotton fabrics. Canadian knitting mills are turning out 33 different types of knit goods for military use.

A lot of special types of cloth have been developed, and in dozens of other cases regular lines have been adapted, for military use. Serge for the Canadian navy has to meet one type of specifications; that for South Africa a different set. A special type of cloth, known as "internment jacket cloth," clothes internees. Another type, known as "fearnought cloth," is for "flash clothing" and is a fire-resistant cloth used by the navy.

One kind of cloth goes into caps for winter wear; another into greatcoats; uniforms and even badges take their own type.

There are woollen cloths used for munitions, and for naval signal flags. Altogether, the Canadian textile industry is turning out 31 different types of woollen cloth, four types of cloth for munitions and bunting, and four types of blankets.

The job being done by the knitting industry this year will tax its facilities to the limit.

Right now, the knitting mills are turning out a long list of articles for the army, navy and air force, both men and women. In addition there are heavy orders for exports that have come from Britain and other parts of the Empire.

The result of this is that clothing, woven and knitted, has become a munition of war. It is so recognized in Britain where posters are prominently displayed urging textile workers to "Spin to Win" and stressing that "Guns are no Use to a Soldier unless he has Clothes and Equipment." These posters point out that a first essential is to clothe and equip a soldier with his personal needs. After that he is ready to receive and use his guns, his tanks, and his ships.

What a Soldier's Outfit Costs

Clothing $101.31

	$
Battle dress (2)	22.36
Greatcoat	17.22
Sweater	1.58
Winter cap	1.20
Muffler	.84
Woollen underwear (2)	4.62
Belt	.37
Cotton shirt (2)	2.56
Walking out dress:	
Uniform	14.40
Shoes, pr.	4.41
Waterproof coat	8.05
Field cap	.78
Comforter cap	.30
Overalls (2)	5.40
Cotton underwear (2)	1.46
Socks, prs. (4)	1.44
Woollen gloves	.59
Boots, prs. (2)	10.40
Canvas shoes	1.89
Web anklets	.77
Badges:	
Arm, prs. (4)	.12
Unit, prs. (4)	.20
Cap	.06
Braces	.27
Boots laces	.02

Equipment . $ 88.13

	$
Ground sheet	1.81
Field dressings	.24
Blacking	.05
Boot dressing	.05
Hand towels (2)	.42
Comb	.04
Razor	.39
Button brasses	.04
Kit bag	.78
Brushes (5)	1.16
Table fork	.09
Table knife	.18
Clasp knife	1.18
Spoon	.08
Holdall	.17
Housewife	.51
Rifle	54.30
Bayonet and scabbard	6.35
Bottle of oil	.33
Rifle pullthrough	.16
Rifle sling	.24
Steel helmet	2.39
Anti-gas respirator:	
Container	1.60
Facepiece	3.10
Haversack	1.27
Anti-dimming	.15
Ration bag	.04
Haversack	2.14
Pack	2.13
Rectangular mess tin	.57
Water-bottle	.65
Bottle carrier	.45
Web braces (2)	1.90
Waist belt	1.03
Haversack straps (2)	1.80
Web straps (2)	.34

Wood Cellulose For Explosives

Several million dollars a year are being saved in Canada in the manufacture of military explosives through the use of wood pulp as a source of cellulose instead of cotton linters.

Wood cellulose has been used in Canada for a good many years in cellophane and rayon, but it is only since the beginning of the war that research and development adapted wood pulp to the manufacture of nitrocellulose, the base for certain types of high explosives.

The use of cellulose-bearing wood pulps has eliminated the importation of cotton linters.

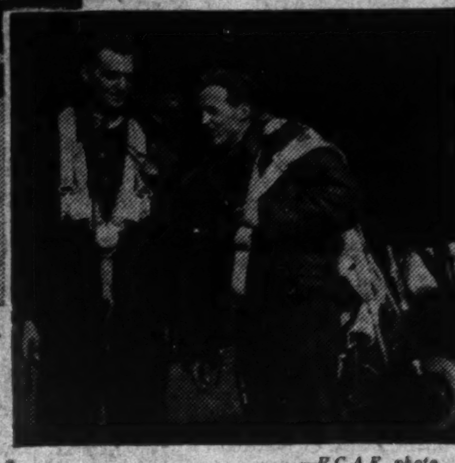
Canada is one of the first of the United Nations to adopt large scale production of military explosives from her own domestic supplies of chemical wood pulps.

Web Equipment

For Canadian and Allied Fighting Forces

—R. C. N. photo.

—Canadian Army photo.



—R.C.A.F. photo.

Carrying ammunition, bayonet, side arms, helmet, rations, blankets, water-bottle, etc., each member of the forces is a complete fighting unit. Only with proper, well-fitted, reliable web equipment can each man be fully efficient in his task.

Makers of —

- Camouflage nets.
- Camouflage helmet nets.
- Harness webbing for parachutes.
- Shroud cords for flare 'chutes.
- Shroud cords for parachutes.
- Shell box handles.
- Ducks for auto trains.
- All kinds of ducks.

Whether it be for training in Canada, or for land, sea or air fighting in the far-flung battle areas of the world, Granby Elastic Web of Canada Limited is glad to be helping the men of the Allied forces in their fight for Freedom.

Granby Elastic Web of Canada Ltd.

Makers of all types of textile products

GRANBY - - QUEBEC

from Canada to Cairo

We are grateful that peacetime experience, facilities and personnel have enabled us to meet unprecedented demands for war production needs.

TENTS for Canada's camps or Libyan desert warfare. TARPAULINS for army transport. SLEEPING BAGS for northern outposts. HAMMOCKS for the Navy. BREN GUN COVERS. GAS MASK HOLDERS, ANKLETS, SHIRTS and SUMMER UNIFORMS—these and many other items are in service where

"Quality in Quantity" Counts

WOODS MANUFACTURING COMPANY
Limited
Montreal Toronto HULL, QUEBEC Welland Winnipeg

CANADA'S LARGEST TAILORS TACKLE THEIR BIGGEST JOB

SINCE 1939 Tip Top Tailors has taken on a bigger job than it has ever known before. That job is to keep the men of our armed forces comfortably clothed in well-made, good-fitting uniforms that more than meet the demands made upon them.

Tip Top Tailors today is an arsenal devoted to production for victory. Hundreds of additional workers, larger quantities of the latest type of new equipment and all our thoughts and energies are being devoted to this vital task.

We are, nevertheless, still making clothing for civilian needs in proportion to the time and facilities left to us for this type of production. That is why you may be asked to wait longer than usual for delivery of your new Tip Top suit or coat.

We know our civilian customers are glad to co-operate with us, because many of them tell us so. Until more peaceful days, therefore, production for Victory will be our Number One job.

TIP TOP TAILORS
Limited
Boulevard Drive, Toronto.

SERVING THE FINEST ARMED FORCES IN THE WORLD

TT118-P42

Movies and Morale

Morale Comes in Reels

From Home Front to Fighting Front Motion Pictures Help Sustain Spirits and Develop Skills for the Tasks of War

To Canada's fighting men, far from their homes and scattered throughout the Dominion, the "movies" have made the grim business of war a little more pleasant. An evening of entertainment such as he was accustomed to get at his home town theatre is one of the most important additions to morale of World War II.

Good indication of just how much the troops want this type of entertainment is the way they pour into the camp theatre. Over a recent two-week period the Knights of Columbus organization at Camp Borden reported 26 showings to over 17,000 uniformed men. Camp Borden also has movies shown by the Y. M. C. A., Canadian Legion and Salvation Army, all of which meet with similar heavy crowds. Attendance at military theatres throughout Canada is now running at a rate of well over 17.5 million persons annually.

Early Start

The war was not long under way when it was realized that motion pictures had an important part to play in maintaining soldier morale. Under authority of the Dept. of National Defense in early 1940 there was formed the Navy, Army, Air Force Films Committee to act as a clearing house between film distributors and the service organizations which would show the films to the fighting men.

N. L. Nathanson became honorary chairman and John A. Cooper honorary secretary of the Committee which started out to take care of only some 30 camps. There are now about 400 places where films are shown to uniformed men and to keep the machines busy some 6,000 reels of film are required. Camps throughout Canada and Newfoundland are supplied.

Much Co-operation

The success that this form of entertainment has met is a reflection of the considerable amount of co-operation that has been in effect throughout the whole setup. One of the most tangible indications of this co-operation is the fact that rental of the films costs the four service organizations something over $200,000 annually. If the distributors charged regular rates that figure would approach the half million dollar mark.

The business is divided among half a dozen different distributors to ensure a continuous flow of films and a constant change of product. The services co-operate among themselves by lending films to each other. Theatres which pay high prices for first-run privileges have in many cases waived their right so that fighting men can get their movies "fresh."

Get 16 mm. Copies

A large problem was getting 16 mm. copies of current releases—ordinary movie size being 35 mm. The small size was decided upon due to the difference in equipment cost. Equipment to show 35 mm. film costs some $5,000 compared with around $600 for the smaller size. The Committee ironed out that problem with New York representatives of U. S. film producers.

About 400 projectors have been bought from the U. S. each costing some $450, which has been borne by the service organizations. A further problem has been training operators. The service representative at each camp is usually capable of running the machine while most of the operators are usually members of the armed services, those with a bent for electrical apparatus being preferred.

Heavy stress is laid upon keeping the programmes up to date. An ordinary military camp show runs from 1½ to 2 hours including a feature picture and various short subjects. Soldiers see exactly the same pictures as civilians, but usually a little later than first-run downtown showings.

While helping keep the morale of Canada's fighting forces at a high pitch is a first-line task of the motion picture industry, it has also met an important challenge from the home front.

Home Front Job

The National Film Board series "Canada Carries On" has achieved international distinction. One of this series "Churchill's Island" was the winner of a special Academy Award for the best documentary war film in 1941 and was chosen to lead off the "World in Action" series of documentary films of all United Nations governments distributed throughout the U. S., Great Britain, Australia, New Zealand, India, South Africa and the Latin Americas.

The Canada Carries On series tells in a dynamic way the story of Canada at war, explains some of the elements of global' strategy. Some issues have displayed an almost uncanny news sense. "War Clouds in the Pacific" was issued ten days before Pearl Harbor was attacked; "Hitler's Plan," based on Mediterranean strategy was released on almost the same day that Rommel started the drive that carried him to El Alamein; "Road to Tokyo" was well in production telling the story of the Pacific coast front line when Dutch Harbor was bombed.

Example of professional opinion on these Canadian documentaries is the comment of the American publication "Business Screen Magazine:"

"Through each of these war front films there runs the tightening, toughening pattern of the new warfare, the hard-hitting strategy of attack. To awakening and badly shaken United Nations, saccharine-fed and complacence-dulled too long, they offer a smashing screen counter-offensive, refute the old argument that motion picture audiences are interested only in escape."

Speed Production

Along with letting Canadians generally know what all the shooting is about, the motion picture industry has been helping to speed things on the production line. When workers do not grasp how their individual jobs fit into the wartime pattern they are apt to view their daily round without imagination. As a result, morale sags and production is hurt. Maintenance of industrial morale has been recognized as a vital necessity. Many companies are spending much time and effort in stimulating worker enthusiasm. In this regard motion pictures have made a substantial contribution.

The National Film Board, through such films as "Fighting Ships," "Thank You, Joe," and "Keep 'Em Flying" shown to war workers throughout the Dominion have given a new pride in their jobs to the people who produce ships, tanks and planes.

Industry at War

Associated Screen News Ltd. has played a very important part in helping to tell the story of Canadian industry at war. One of their first productions for Canadian industry after outbreak of war was "Motors on the March" for General Motors of Canada. This presented visually how this company quickly geared itself to the war tempo. Conceived primarily as a tribute to employees, engineers and executives of General Motors, this early war production pointed the way for similar efforts by other Canadian companies.

War's impact on a public utility has been filmed in "Keepers of the Light" produced by Associated Screen for the Ontario Hydro-Electric Power Commission. This showed the rising clouds of war and how power workers have fought to supply the increasing demands for industrial power in wartime. A later production "Wardens of Power" educates consumers on power conservation.

McKinnon Industries turned out "Heavy Hitters" to tell the story of how its facilities were being employed in making shell fuses.

Through "Nation Builders," Aluminum Co. of Canada touched upon some of the problems created by the epic wartime demands for aluminum and how they were solved.

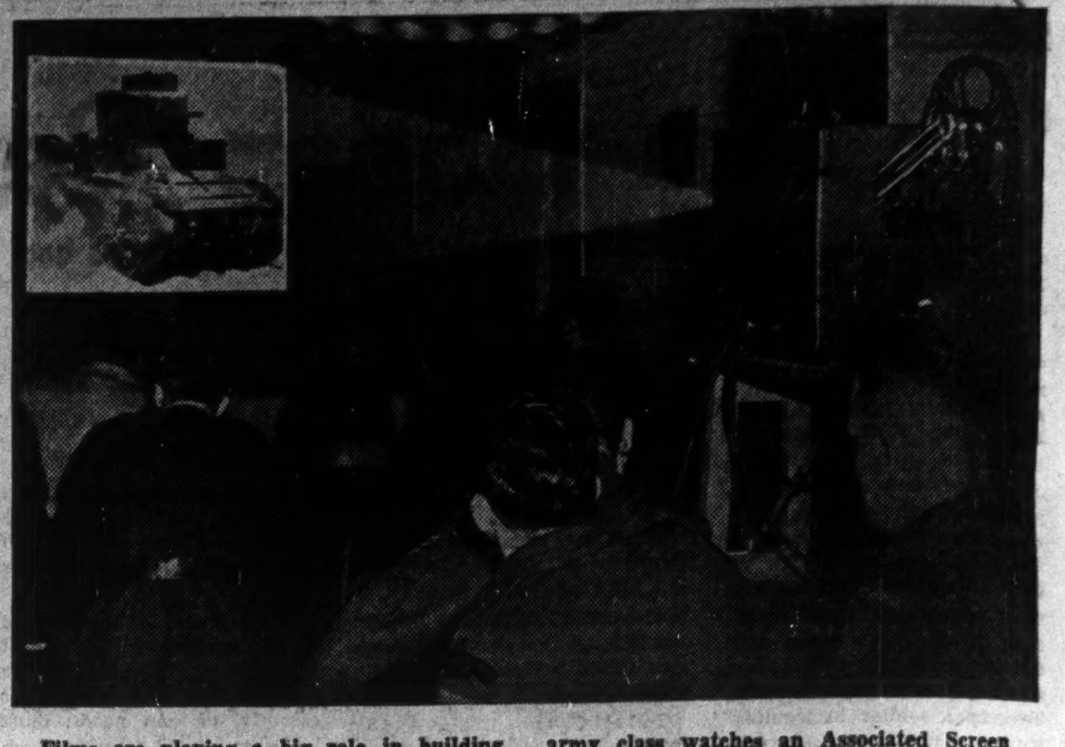
Massey-Harris in "The Part We Play" showed how the company's production skill has been turned to creation of tools of war, and at the same time emphasized the need for efficiency in farm operation. As an important farm implement maker this company pointed out that food is also a vital weapon of war.

Such films as these enjoy a wide distribution outside the plants in which they were made. Workers take a healthy pride in the knowledge that the work they are doing is being shown visually and factually to a wide Canadian audience.

Instructional Work

Films are also being much used for instructional work both in industry and the armed forces. Visual presentation of machine operations clearly shows the correct steps in their proper order; retention of facts is claimed to be considerably higher when presentation is made orally and visually at the same time; slow motion, magnified views and animated diagrams make technical explanations more simple. Only a handful of men can be brought close to an actual machine in explaining its operation, but when that operation is shown in motion pictures a hundred or more men can be brought close to the machine, able to see each detail.

An interesting sidelight on the industrial use of films is provided by Research Enterprises Ltd., first maker of fine optical glass in Canada. Born of wartime necessity, this company decided to make a complete record of its production processes on film. The film was produced without thought of public showings; it is used for company records only. It has been shown to employees, so that a worker in one department will understand his relation to the entire production process.



Films are playing a big role in building morale and providing instruction. Here an army class watches an Associated Screen News instructional film.

Along with raising a considerable sum of money, the Victory Loan campaigns have also provided considerable stimulus to national morale. Here again the motion picture industry has been prominent. The Dominion's leaders in these bond selling campaigns have spoken to the general public and to local district workers through motion pictures. Special films have been produced to show before canvassers. Both instruction and inspiration for the task were provided in these presentations; tools with which the canvassers would work were shown and supporting publicity was illustrated. These productions were in addition to the dramatized trailers prepared for theatrical showings for the National War Finance Committee making direct public appeal for Loan subscription.

Rounded Pattern

The Canadian motion picture trade has thus worked out for itself a well-rounded pattern in aiding the war effort with its product being used from the firing line to the production line. Entertainment and instruction is given to the armed forces; similar instruction and a morale lifting influence is given to industrial workers; the general public is inspired by hard-hitting visual presentation of the Dominion at war.

The wartime importance of this industry has been highlighted by President Roosevelt:

"The American motion picture is one of our most effective media in informing and entertaining our citizens. The motion picture must remain free insofar as national security will permit. I want no censorship of the motion picture; I want no restrictions placed thereon which will impair the usefulness of the film other than those very necessary restrictions which the dictates of safety make imperative."

Use of Camouflage In Modern Warfare

The scientific refinements of modern war have forced man to go back to the ancient business of blending himself in with his background. During 1914-18, camouflage was used a good deal, but not nearly so widely as today. The airplane, of course, has been one of the factors responsible for this.

Experts in the art of camouflage, however, admit that it's practically impossible to fool the aerial camera, which bores into places where the naked eye doesn't see anything wrong. Photos taken from great altitudes may now be enlarged until every small detail of the ground stands out plainly.

The peculiar part of modern camouflage is the fact that color is not such an important thing as most people believe. For the concealment of objects from the aerial camera it's the texture and shadow that counts.

Strange as it seems, a black roof photographs light gray or even white from the air, while a field of golden grain photographs black. It is all a matter of shadow. If a truck has just passed over the wheat fields, it will leave light tracks, because it has pressed down the wheat stalks so that they reflect the light from their sides.

The Germans have tried to fool our bombers and observers by changing the whole appearance of a city. They have changed the shape of a lake by filling in bays with great platforms of planking made to resemble actual ground.

FABRICS FIGHT TOO!

In the thick of the struggle for Victory, along with the Dominion's fighting men and their Canadian-made tanks, guns, planes and munitions, are the sturdy fabrics that make up their uniforms and other clothing.

Unspectacular as this type of war production may seem, it is vital. We are proud to have a share in this effort.

Today our woollen section is working 100 per cent on war production, while our worsted section is 85 per cent devoted to government orders.

From our civilian customers who feel the force of this diversion we are sure of receiving a patriotic appreciation. They, like we, know that nothing matters now but Victory.

Paton Manufacturing Company
LIMITED
SHERBROOKE, QUEBEC

Linoleum Factory Now Processing Miles of Tarpaulin Duck

In the Dominion Oilcloth and Linoleum factory, Tarpaulin Duck by the tens of thousands of yards is being proofed against flame, gas, mildew and the Arctic weather. This duck is used for truck tarpaulins, cargo covers, gun covers, anti-gas fabrics and many other purposes by the Navy, Army, Air Force and Merchant Marine.

Also in the panel at right are listed other Dominion Oilcloth & Linoleum "priority products" — an example of how peace time facilities are being turned to war.

PRIORITY PRODUCTS
We also make:
AEROPLANE PARTS — Aluminum hydro-press parts are formed in our large hydraulic presses.
WATERPROOF DUCK — flame proof, gas proof, mildew proof and "Arcticized" for Army Trucks, for the Navy and the Merchant Marine.
BITS and PIECES for the Navy, for the Merchant Marine, for tanks and essential war industries.
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Making the Uniforms

Tailoring For the Troops

Clothing Industry Works Overtime to Make Millions of Uniforms

Cloth economies, introduction of mass production technique, outstanding co-operation on the part of workers—these are the "secret weapon" the tailoring industry is using to establish remarkable records in military uniform production.

With 80% of its production facilities turned over to war work already, and some units in the industry expanding their capacity still further, the industry anticipates the greatest volume of output in history in 1943. The "backlog" of orders on hand means capacity operation for well over a year, even if no further orders are placed.

Profits Secondary

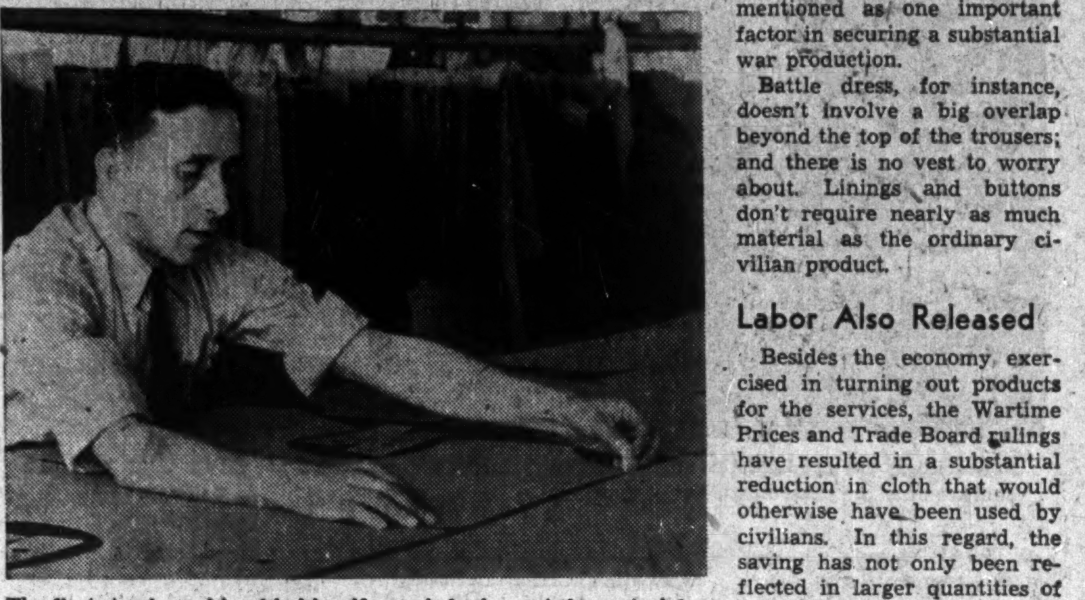
"This tremendous war business returns very small profit—much lower than ordinary civilian business—but we are glad to do it," a leader in the industry said recently.

"The standardized type of product asked for by the military services allows a certain adaptation to mass production technique but this isn't being allowed to interfere with the quality of products turned out. We are building just as much quality into our war products as we always have into civilian output."

What this executive said was in reference to his particular company but it is true of the industry at large. Firms well known in the tailoring business—Tip Top Tailors, Eaton's, Workmens, Devonshire Clothes, Pollocks and others—are combining to turn important peacetime business into even more important wartime business.

While standardization has played a key part in achieving maximum wartime production in tailoring plants, military production is not quite as simple as the ordinary civilian might think. The standard army issue, for instance, must be made in 30 sizes . . . . and each size requires several sets of patterns. The Department of Munitions and Supply patterns and sizes don't correspond to ordinary tailoring designs.

Perhaps the most important single item of tailored military clothing is battle dress, of which the Munitions Department has ordered no less than 1.4 million the last four months. If you were to pass through a battle dress "production line," you would note the unbelievable speed with which finished units can be assembled.



The first step in making khaki uniforms is laying out the material in many layers, then marking on the pattern so that a number of uniforms can be made at one cutting. Laying out the patterns is an art, and a skilled worker cuts waste to a minimum.

The early stages of pattern cutting and cloth cutting require relatively few workers. Electric cutting knives will carve up as much as 25 thicknesses of cloth for battle dress, and the cutting and ticketing of each individual part of the battle dress isn't so big a job.

Next on the production line come batteries of power-driven sewing machines with men and women each concentrating on some individual job in the assembling of the final garment. It is in this department that rapid work and close concentration of effort are yielding high war production "dividends."

Battle dress is relatively simple but there are still many operations in turning it out. A finished suit contains 99 pieces of cloth and lining, 46 in the tunic, 53 in the pants. There are altogether 120 operations in the making of a uniform, and the task of sewing on 40 buttons is classed as one operation. All buttons are concealed. This serves the dual purpose of eliminating the chance that a gleaming button might reveal the position of a soldier in action, and of doing away with the arduous task of button shining.

From the standpoint of value in use, design of the Canadian battle dress is tops. When the winds are raw and chilly, it can be closed up nearly as tight and snug as an insulated house, but under the arms there are ventilators about as big as a pea. One of the smoothest pieces of machinery to be seen in the tailoring establishment is that which punches these holes in the cloth, then sews the edges, more neatly than could be done by the best button-hole operator. The uniform is the result of study and experiment. Its design helps give good service. It is strongly reinforced at any point of special strain. Each is subjected to careful inspection to make certain there are no flaws in material or workmanship.

Cloth economies have been mentioned as one important factor in securing a substantial war production.

Battle dress, for instance, doesn't involve a big overlap beyond the top of the trousers; and there is no vest to worry about. Linings and buttons don't require nearly as much material as the ordinary civilian product.

Labor Also Released

Besides the economy exercised in turning out products for the services, the Wartime Prices and Trade Board rulings have resulted in a substantial reduction in cloth that would otherwise have been used by civilians. In this regard, the saving has not only been reflected in larger quantities of cloth available for war work, but a substantial amount of labor has also been released for handling this.

A trip through the plant of a tailoring firm employing 2,400 people shows how quality is being stressed in war production. The military serge received for uniform manufacture is already pre-shrunk, but is put through a special shrinking machine again.

The cloth is also inspected for any defects, which are cut out before material is put into manufacture. Linings are also shrunk. The Munitions and Supply Department provides inspectors, but the firm has its own inspection staff go over outfits first, so war work actually undergoes a higher degree of inspection than even goods for civilians.

In laying out patterns for the cloth, attention is paid to having good designers on the job. They may save as much as two or three inches in two or three yards of cloth. When uniforms are being made in the millions, this is a lot.

Besides battle dress, walking-out uniforms, great coats, Air Force uniforms, the new Air Force battle dress, and C.W.A.C. skirts and tunics, the tailoring industry has important subsidiary military work. For instance, outfits have been supplied for men working on the Alaska highway.

Greater Efficiency Now

Military tailoring business is much more efficient than when the business was new. People had to be trained for the work. This was expensive. The training period is far in the past now, however, and production is carried on in a fairly even flow.

A considerable expansion of production facilities has taken place to cope with war tailoring. One company temporarily turned its cafeteria over to this.

To prevent any interruption, some firms now maintain their own machine shops, where equipment can be repaired without sending it out. Cost is often lower in doing such work within the plant.

Establishments in Forces

Military tailoring isn't confined to civilian establishments, however. Both the army and air force maintain their own tailoring units.

The army ordnance corps has tailoring establishments right across the country that play an important part. Their function is a dual one— fitting people who take odd sizes, and repairing uniforms. This last is a really big job with the number of men now in our army.

Even though "standard issue" now comes in 30 sizes, making outfits for "out-of-proportion" personnel is an ever-growing task.

Allows Reissue

Every time a unit goes overseas the Ordnance Corps has a big job of reconditioning. Old uniforms are fumigated, cleaned and repaired in readiness for reissue to other units.

Besides the tailoring depots, each unit has its own tailor, who looks after minor repairs.

The Canadian women's army corps has an establishment in Ottawa for turning out special size garments. If a recruit in Toronto can't be fitted with standard issue, measurements are included in the "size roll" and forwarded to Ottawa, where the required uniform will be tailored on what is practically a custom-made basis.

The air force—with a smaller number of enlisted men than the army, only recently decided to set up tailoring establishments. The first one is in Toronto. They will confine their activities to reconditioning and repairing uniforms.

Decision to go into the tailoring business was prompted by the tremendous demand for uniforms and the desire to help the government economize on raw materials. Newly-enlisted men will now receive one new uniform and one reconditioned uniform.

Officers' uniforms are manufactured on a "made-to-order" basis and aren't a concern of the military authorities except for the design. Designs have been simplified, making the task of the tailor just that much easier.

Devonshire

IN THE SERVICES

"DEVONSHIRE CLOTHES" took its place before the war as a name associated with a quality which discriminating men demanded . . . Today this label is *totally at war* — the men of Canada's armed forces proud to wear uniforms made by Devonshire Clothes.

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Raw Materials From South America Help The United Nations

It is as a source of raw materials that Brazil and all Latin America is probably for some time going to be of most help.

What are the strategic raw materials in which the southern continent can help us most?

COLOMBIA — is producing important amounts of petroleum and platinum. One need not emphasize the importance of either for modern warfare. Together with Canada, Colombia could just about meet total U. S. platinum need.

ECUADOR — to continue down the west coast — could produce substantial amounts of cinchona bark, a source of quinine, kapok and rubber. Other than these potentials, Ecuador makes little vital contribution at the present time.

PERU — is an important world producer of copper, some of the biggest mines there being U. S.-owned. The vital alloying element, vanadium, is another important wartime product. Her petroleum production is sizeable. To meet special wartime need, Peru could produce more tungsten, sizeable volume of rubber.

CHILE — is another great copper producing country, again with much of it in American hands. She produces some lead. Her iodine production is an important source for us. Her production of a strong fibre useful for the making of rope assumes particular interest with the closing of the Far East.

THE ARGENTINE—supplies North America with over 80 million pounds of quebracho—used in tanning. Most of the hides imported into North America come from that country too. She is a vast wool producer and with the increased difficulty of getting adequate supply with Australia imperilled, Argentine flocks will likely continue to be clothing and blanketing many North American troops. Vegetable oils are another important wartime contribution. And while the Argentine is rather poor in minerals, her output of the important antimony and tungsten could be increased.

URUGUAY — in some respects the loveliest, certainly the most thickly populated South American republic is mainly important as a source of wool, more hides and tanning extract.

BRAZIL—One of the world's largest countries, just a little smaller than Canada, and the world's richest grab bag of potentiality, is a vital contributor in many respects. Her rubber production declined far since the rich pioneer days of the last century. Her production now is relatively slight; can be enormously increased, doubtless will be if there could be reasonable assurance of a postwar market for natural rubber; that we won't all be riding and wearing synthetic. Bauxite, the ore of aluminum, is another resource that is almost certain to show great expansion. Chromite is another wartime essential for us. So is manganese, fibres and vegetable oils.

If the war were to last long enough, Brazil might well become an important contributor to our supply of arms and ammunitions with her growing steel capacity, her machine tool and industrial capacity. The vast plant of Brazilian Traction Co. which can and does all sorts of jobs from re-building street cars and buses to building large hydraulic power and electrical equipment could certainly, given the opportunity, do a swift and most creditable job of gun, shell, or tank production.

BRITISH GUIANA—long an important military outpost on the Caribbean and watchdog spot for the Panama Canal is of course Canada's fabulously rich source of bauxite.

VENEZUELA—is one of our great sources of petroleum.

CUBA—is producing an increasing volume of chromite, manganese and nickel.

MEXICO — is a very rich storehouse of many valuable war materials: copper, lead, mercury, tungsten, zinc, antimony, fibres and others.

"That Hun's *Lucky* to Know *What* Hit Him!"

• *"Why he's still alive is one miracle. How he could bail out of that sawdust pile is another. With luck like that, he deserves a long holiday in a prison camp."*

When one of our newest fighter planes *lets go* at the enemy, *lightning strikes!* The effect is not one of *crippling* the invader, but of blasting it to pieces.

Planes so fast, they near the speed of sound . . . wizards of manoeuverability that reach new high ceilings . . . and packed with that firepower which makes them the deadliest of opposition.

The genius of free men produced the Bell Airacobra, Lockheed Lightning, Republic Thunderbolt. Yet such planes are but representative of the many which are letting evil feel their might. For practically every bomber and fighter being built on this continent, Thompson craftsmen are producing aircraft and engine parts vital to the needs of the hour.

Hardened and ground to those precision standards essential for wartime service, Thompson parts are contributing added *speed*, *stamina* and *striking power*. Thompson fuel and booster pumps are enabling bombers and pursuit ships to reach ever higher altitudes. Thompson valves are serving 4,000 hours or more before replacements are needed.

Around the clock, seven days a week, batteries of roaring Thompson forges are never stilled, as *"Thompsonites"* work at top speed and skill to help shape the weapons with which their sons are fighting — the weapons they need to win.

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Thompson Products

Special Duty Clothing

Canada Provides Her Own Special Equipment

From Ground Sheets to Flying Suits All Made in Canada

Making sheepskin coats or rubber boots may be less glamorous than turning out big guns but it is just as important. Without adequate protection for the health and lives of the individual, against weather, gas and the various hazards of modern warfare, it would be impossible to carry on, regardless of how good our offensive weapons might be.

Many of these articles involve a great deal of research and ingenuity. On the care with which they are made may depend a soldier's or airman's life. In some cases their production has meant the adoption of new processes and methods. But the challenge has been met so that today almost all the specialized clothing of Canadian troops is made in Canada.

Normally when talking of clothing or equipment for the armed forces, the civilian thinks in terms of uniforms, belts, tin hats and greatcoats. But behind these there is a great mass of special equipment. Some of it, like gas masks, is fairly familiar to the public, other things, like crash helmets for motorcycle drivers and airmen's life saving belts, are not so well known.

Before the war, because there was little call for any of this equipment very little of it was made in Canada. Today scores of plants across the country are working on literally hundreds of different items of personal equipment.

Some of these meant the invasion of entirely new fields of manufacture, others an adaptation of manufacturing processes already in operation.

Take anti-gas respirators for instance. Materials entering into their manufacture include rubber, fabric, glass, metal, chemicals. They are made from 50 different parts produced by a large number of firms in Ontario and Quebec. The parts are bought separately and assembled by Container Assembly Co., a government-owned company under the aegis of the Department of National Defense. Special features of these gas masks include special eye pieces which make it possible to remove the glass from the metal frame without difficulty. The glass used is safety glass.

Special clothing varies in the three armed forces because of the different operations each is called on to perform.

Chemical warfare demands chemical means of defense. Anti-gas respirators shown above purify gas-poisoned air. Purifying is accomplished by chemicals in a container through which the inhaled air must pass. These respirators are made from 50 different parts produced by many firms in Quebec and Ontario. These parts are bought separately and assembled by Container Assembly Co., one of the government-owned companies organized to do special war work. Container Assembly Co. operates under the supervision of the Department of National Defense.

For M. T. Drivers

For instance army mechanical transport drivers, driving in all sorts of weather and at high speeds, must have heavy sheepskin coats with the fleece on the inside. Motorcycle riders are supplied with overcoats and pants made of cotton shirting combined with reclaimed rubber. Experiments, it is understood, are also being made with synthetic resin. Jackets only, coming down to the hips, are made by Shiff & Co., Montreal and Croydon Manufacturing Co., Montreal. Both jackets and trousers are being made by Canadian General Rubber Co., Galt.

Names of the firms from which these and other items of equipment have been purchased, are supplied by the Department of Munitions and Supply.

Anti-gas coats are made and look like fishermen's oil skins, but the composition is secret. The materials are produced by the Dominion Textile Co. and processed by Dominion Oilcloth & Linoleum Co. both of Montreal. They are then shipped for finishing to Canadian General Rubber at Galt, T. Eaton Co. Toronto, Kaufman Rubber, Kitchener and Dominion Rubber, Montreal. There is no rubber in these anti-gas coats.

Motorcycle drivers and tank crews, because of the danger of damage to their heads are issued with crash helmets. These look something like a rugby helmet and are designed to protect the driver's head against injury. Non-shatter goggles also are a part of the equipment of motorcycle drivers. Another piece of special equipment for these motorcycle drivers is abdominal protectors. These are like wide belts of hard leather, and protect the internal organs from injury which might result from bumping along bad roads. They also help protect the rider from direct injury.

For ski troops, parkas, ski boots and skis are supplied. Everything is required to be up to a high standard of quality.

For most troops, ground sheets are an important item. These are made so that when spread out they cover a substantial area of ground and are fitted with a collar at one side so they can be used by the soldier as a rain cape. They are made of reclaimed rubber and the Department of Munitions and Supply buys them from Canadian General Rubber, Galt, Miner Rubber Co., Granby, Que., Goodrich Rubber Co., Kitchener and Barringham Rubber Co., Oakville, Ont.

Raincoats are of a wide variety. The new polymer synthetic raincoat (Do not confuse with Polymer Corporation, the government synthetic rubber company which is not yet in operation) is made with No. 1 shirting as a base. This shirting is obtained from Montreal Cottons and processed by Barringham Rubber Co. and the Fabrikoid division of Canadian Industries Ltd. in New Toronto.

For the men's army these synthetic raincoats are made by Shiff & Co., Montreal, T. Eaton Co., Toronto, St. Lawrence Rubber Co., Farnham Que., and Dominion Rubber Co., St. Jerome, Que. For the women's army they are made by Shiff & Co., Montreal, Croydon Co. and Canadian General Rubber.

The men's air force synthetic raincoats are made by the T. Eaton Co., Toronto, N. Kaufman Rubber Co., Kitchener and Dominion Rubber Co. The women's air force raincoats are made from British wool gabardine or Canadian cotton gabardine by Guarantee Glove and Sport Garment Co., Montreal, Sport Togs Ltd., Montreal and T. Eaton Co., Toronto.

The men's navy gabardine raincoats are made from Canadian cotton gabardine by Shiff & Co. and Croydon. The women's navy raincoats of the same material by Shiff & Co. and Deacon Bros., Belleville. Oil clothing for the navy is also made by Scythes & Co., Toronto.

Few soldiers are as completely dependent on equipment as the parachutist. Note the plastic crash helmets which are an essential part of the parachutist's uniform.

Flying Suits

The air force has a lot of special equipment not normally required by the other services. For instance, its flyers are issued with a flying suit made of an outer shell of heavy duck, with an inner suit of poplin filled with kapok, which is both warm and non-sinkable. Then he has a flying helmet in which the ear coverings are zippered so that earphones can be inserted. Flying belts made of rubber which can be inflated and used as a life preserver if the aviator falls in the sea are also provided.

Gloves too are an important item in the flying man's kit. He usually wears three pair, the first of silk with which he can write if necessary, the second of wool for warmth and the third of leather worn outside.

Canadian industry, however, in this as in other branches of equipment, has risen to meet the challenge. Practically all the needs of both women's and men's branches are supplied by home industry.

U. S. Soldiers Get Chapstick

As a preventive against chapped skin or sunburn among United States soldiers serving in extreme climates, Quartermaster Corps technicians have developed a cylindrical packaged medicament.

This "chapstick," which is about two inches long, contains soothing ingredients, including camphor. All Army personnel will be issued "chapsticks" when on duty in cold climates, high mountains or deserts.

Rayon's
wartime job

RAYON has a vital job today, on the battlefront and on the home front. The canopy fabric and the shroud cords for flare parachutes are now being made from Viscose rayon yarn. Work is now in progress on the uses of rayon yarn for towed targets.

A large quantity of spun rayon fabric is needed for munitions purposes such as powder bags.

Viscose rayon linings are being used for uniforms.

In addition to all this, research work is being done on rayon yarns for many other types of equipment.

In the meantime, on the home front, rayon is being used more than ever before, for men's wear, women's wear, and piece goods. For rayon yarn is adaptable to a wide variety of weaves and fabric styles.

This means that even with the standardization and limitations of types of fabric, there still remains a broad choice for the consumer on the home front.

So, while rayon's wartime job is on two fronts, and on each, it is proving its adaptability and dependability, it must stand ready to divert, if necessary, a still greater percentage of its production to the needs of our fighting forces.

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No More Brass to Shine

Troops Look Forward to Plastic Buttons

There is no more brass for buttons, and Canadian soldiers, who never were particularly fond of polishing, are waiting for plastic buttons to make their appearance. That will probably happen as soon as stocks of brass buttons now on hand have been depleted—and they are going fast.

Certain naval ratings, such as ship's writers, cooks and supply assistants, have been using plastic buttons for some time. It's expected the air force and the women's services will also adopt them for general use. Officers are likely to continue to have a choice of gold or silver buttons, in place of plastic ones, but only at their own expense.

The manufacture of plastic buttons in Canada falls into two main processes, injection and compression molding. The newer and faster injection method is more successful on small pieces of work, while compression molders are capable of handling large pieces.

Briefly, the injection method consists of making a cavity or replica of the button design on a soft steel die. A thermoplastic, which is often a straight cellulose acetate base, is heated until it becomes a soft substance not unlike thick oil, and is forced under high pressure, ranging from 15,000 to 30,000 pounds per square inch, into a relatively cold mold.

The two halves of the die are brought firmly together before the plastic material is injected and the halves separated after the material is cooled. Cooling is done by water lines spaced about the cavity to insure uniform hardening. The finished casting is denuded of its buttons, which now await finishing touches.

The compression and more conventional type of molding is almost the exact counterpart of the previous method. Plastic of the thermo-setting type in granular form is placed in the cavities of the mold, which is heated to the required temperature. The mold is closed, cooled and opened to eject the molded piece.

The next step is common to both processes. Small defects such as flash rings, caused by excess material in the mold, appear on the buttons. These disappear by tumbling the buttons in a solution such as pumice and water. Finish and a high polish are added by another tumbling process with wax and wooden pegs. After this, the buttons are ready for grading and shipping.

Both methods have their advantages and disadvantages. A good point favoring the injection method is faster production, varying from 10 second to 40 second cycles for a complete testing, while compression mold castings are ejected at a rate varying from 20 seconds to seven or eight minutes. Scrap is important in the injection method, for it can be fed back into the injection cylinder and used again. The thermo-setting plastics used in compression molding change their properties in the process and cannot be re-ground for further use.

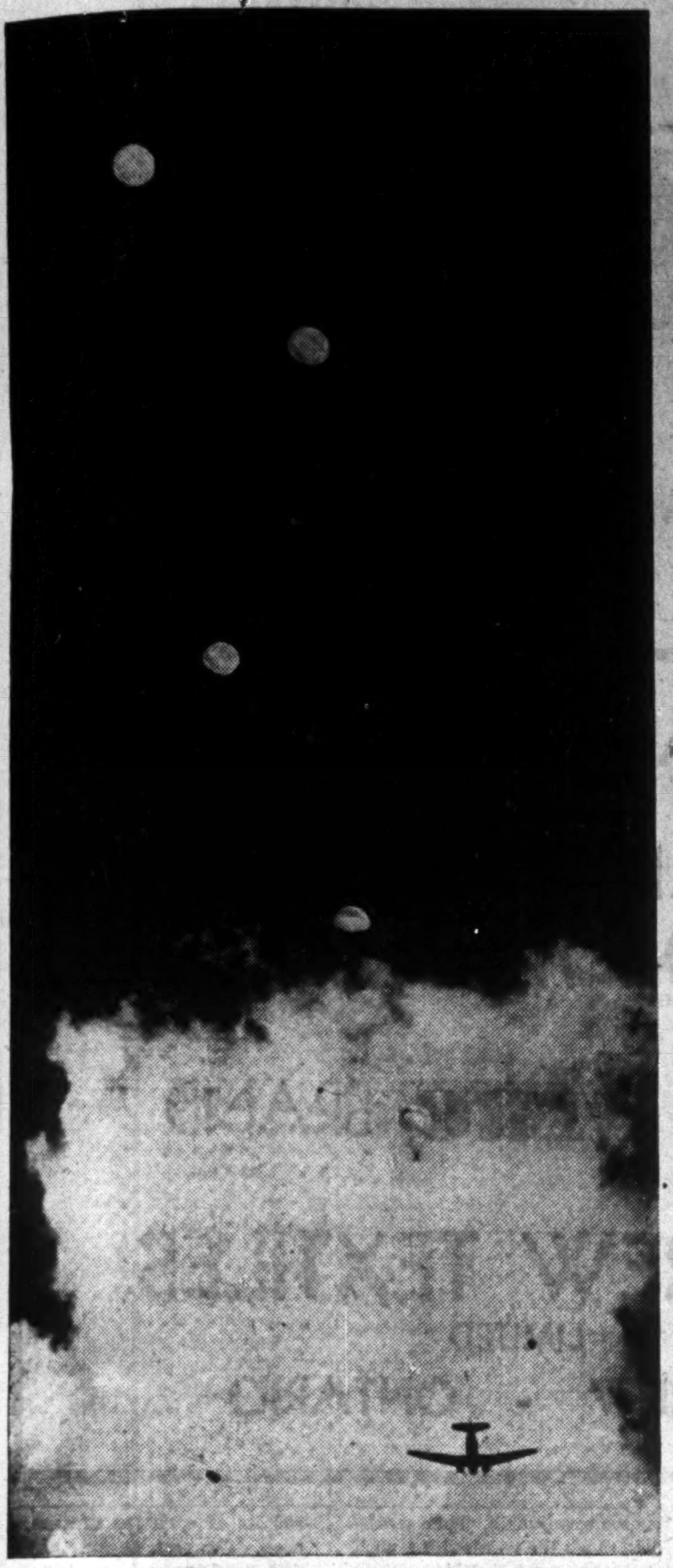
Injection molded buttons are very clear and have a range of 15,000 shades and colors. If this choice is not wide enough, another color can easily be matched. Compression-made buttons are made of darker colors because their base materials are darker to start with. The cellulose acetates used in injection molding are more expensive than the materials used in compression molding, but at present there is a relatively free supply. Phenol and formaldehyde for compression molding are scarce and there is a growing war demand for them.

The main advantage of compression molding is its capacity for molding pieces that are too large for the other method. Compression-made buttons can stand heat better than injection-made ones. So far, thermoplastics have a working range of only 180 degrees but research is being conducted to better their properties. In the United States a new material known by trade name as "Saran" is said to have a working temperature up to 280 degrees. Compression molding materials have higher ranges, some reaching 400 degrees.

Because of the high molding power of plastics, countless designs can be achieved. The buttons are hard and their color remains fast in repeated washings or dry cleanings.

The possible scarcity of chemicals used in molding buttons will probably curtail production for civilian needs in order to insure an uninterrupted supply for war purposes.

At present there are some four companies in Canada which manufacture plastic buttons, although none of these plants confine their production to plastic buttons alone. There are several smaller companies which are manufacturing this item on a more modest scale.



Serious as it was, Japan's entry into the war has not caused any breakdown of the Canadian equipment industry. Parachutes, here being used by Canadian troops training in the west, are now being made of nylon.

How Many Stockings Make a Parachute?

Since the needs of the fighting forces have deprived the women of Canada of their nylon hosiery they are entitled to ask to what extent their individual sacrifice helps the war effort.

The answer is that it takes all the nylon yarn needed for twenty dozen pairs of stockings to make a parachute. According to statistics, the average Canadian woman consumes a little over a dozen pairs of full fashioned stockings per annum so that twenty women, denied nylons for one year, supply material for one parachute.

The yardage of yarn involved is tremendous. There are two miles of thread in a pair of nylon stockings and about 500 miles of thread in the nylon part of a parachute. In the new nylon plant at Kingston intricate machines can spin many million miles a year of filaments so fine that a few pounds stretched in a straight line will reach from the Atlantic to the Pacific, yet so strong that when twisted together to make yarn the product has the strength of steel, yet is flexible, soft and elastic.

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Rayon Gets New Jobs

Offsets Shortages of Other Yarns, Fills Many Needs

Rayon, the step-child of the last war, has been playing a man's part in World War Two. Because of the disappearance of silk and the potential or actual shortage of wool and cotton, rayon yarns have been called upon to fill more and more needs.

Contribution of rayon to the cause of the United Nations are in two directions. There is the part which rayon is taking on the fighting front. Equally important is the job which it is doing on the home front in providing textile fabrics which in turn help to keep the people of the United Nations well dressed and in good spirit.

Shortly after the outbreak of war all silk supplies in the country were commandeered by the government. These were needed for parachutes.

Raw silk supplies have been carefully husbanded, but they are now nearly exhausted.

Rayon, on the other hand, has stepped into the breach caused by restricted supplies of not only silk, but of wool and cotton.

There are two types of rayon made in Canada—viscose produced by Courtauld's (Canada) Ltd. and acetate by Canadian Celanese Co. This production is supplemented by imports.

The uses to which rayon is being put in war materials are becoming more extensive. The quantities are great, and the products manufactured are of first-rank importance.

Probably the most important wartime product made of rayon is ammunition bags. Hundreds of thousands of these have been turned out, and probably more rayon has been required for their manufacture than any other war product.

Flare parachutes of all-rayon are being made.

Rayon linings, of course, are being made for uniforms.

Rayon fabrics also are employed in the production of ties and scarves for the armed forces.

On Civilian Front

On the civilian front the use of rayon has increased substantially. Last year over 26 million pounds of rayon yarn were used in Canada. This contrasted with 21 million pounds in 1940 and 17.9 million pounds in 1939. The rayon staple fibre supply over the same period increased from less than three million to more than 8.1 million pounds. The production of rayon fabrics last year was 70.4 million yards, or 40% more than in 1939.

The job which has been faced by the producers of rayon yarns and fabrics is probably better illustrated by the fact that the per capita consumption of fabrics in 1936 was only 4.25 yards, whereas last year it was almost 6.80 yards.

The Making of Militia Boots

—A National Service

Boots—hundreds of thousands of pairs—have been produced in our plants, the facilities of which have been almost completely turned over to the war effort since 1939.

In a spirit of national service — operating on a very close margin — we have been able to set a standard for quality of material and workmanship and to make deliveries with that promptness so essential to Canada's war needs.

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KITCHENER - ONTARIO

American Army Trains Sled Dogs

To facilitate transportation of supplies in snowbound areas, the U. S. Army soon will begin training sledge dogs and enlisted men as drivers at Camp Rimini near Helena, Montana.

Training facilities at Camp Rimini, formerly a Civilian Conservation Corps camp, will consist of troop quarters, individual kennels, and veterinary kennels for ailing dogs. The enlisted men will receive instruction in sledge driving and the care of the huskies, malamutes, and St. Bernards. The Army Specialist Corps will provide experienced dog teamsters as instructors. Dogs and drivers will receive a six-to-eight week course of training.

The Army has requested Dogs for Defense, Inc. to obtain the complement of animals.

"THE BEST STUFF!"

"THEY are delighted with our materials over there. General McNaughton says it's the best stuff that has come to England—and that pleased me a great deal."

Those were the words of Hon. C. D. Howe, on his return from a trip to England.

As a matter of fact, it pleases us too. For we are proud to have a hand in equipping Canada's fighting men overseas, and we are happy to know our work is satisfactory. Among the products we help to turn out for their use are:

Aircraft Fabrics
Airforce Tow-Target Cloth
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Cotton Bed Sheets
Cotton for Palliasses
Cotton Shirting
Drill Shirting
Duck for Bandoliers
Duck for Kit-bags
Duck for Tents
Duck for Fire-Hose
Fuses for High Explosives
Gas Mask Cloth
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Gun Cover Duck
Handkerchief Fabric
Hatch Cover Duck
Insect Netting for Desert Troops
Insulations for Electrical Equipment
Khaki Flannel Shirting
Legging Fabric
Naval Halyards
Overalls for Mechanics and Air Crews
Oilskin Cloth for Seamen
Parachute Strap Yarns
Pillow Cotton
Powder Bag Fabric
Rifle Pull-Throughs
Sanitation Items for Forces
Ship Hammocks
Shoe Linings
Shoe Threads
Sponge Cloths
Tarpaulin Ducks
Towels
Tire Fabrics for Mechanized Equipment
Uniform Cloths for all Services
Uniform Linings
White Clothing for Doctors and Nurses
Wiping Cloths for Mechanics
Yarns for Underwear
Yarns for Web Equipment

DOMINION TEXTILE COMPANY LIMITED

Montreal Quebec

Morale in the Armed Forces

Keeping the Boys Happy

Auxiliary Services Work on All Fronts

Wherever Canada's fighting men are, whether at home or overseas, they find representatives of the auxiliary services to bring them aid and comfort. The women who have gone "active," in the last year, and are now stationed at home and abroad also have the benefit of these services, which are vastly important to welfare and morale.

All this calls for able organization, and the outlay of many millions of dollars.

At the outbreak of war, the civilian organizations which did such outstanding work in the last war—the Salvation Army, the Y.M.C.A., the Y.W.C.A., Knights of Columbus, the Navy League of Canada and the newcomer to the field, the Canadian Legion, went into action.

It was realized that the maintenance of services would cost a large sum and the government decided to finance this from the public treasury.

The budget of these services runs around $20 millions annually. To this must be added a figure of several millions more, representing the voluntary services set up.

Each of the officially sponsored organizations operates independently, yet they design their activities so that there is a minimum of overlapping. Rest huts are established in camps. Mobile canteens are operated. Sports are organized. Special entertainments are provided. Put in a nutshell, the auxiliary services start in with the man and woman in the armed services where the military, naval or air force authorities leave off. They endeavor to see that they live a balanced life and, in addition, provide them with those small comforts which do not come under "regulations."

HERE COMES
CANADIAN
YMCA
WAR SERVICES

"Here comes the Y" is a slogan that has been welcomed by the troops on every fighting front. Here a travelling canteen serves hot coffee to ski troops at Camp Borden, Ontario.

Others Help

The welfare of the armed forces does not stop with the activities of the officially sponsored and financed groups mentioned. There are many other organizations which provide specialized services, approved by the government, and financed privately or publicly.

Outstanding is the Canadian Red Cross, which, among other things, operates the blood donor service; prepares and sends parcels to prisoners of war; sends supplies and comforts to members of the armed services, arranges nursing auxiliary services, and provides hospital supplies and equipment.

The Imperial Order of the Daughters of the Empire sponsors a broad war services programme, including field comforts for fighting forces, reading matter, recreational supplies for active service forces, and hospital supplies.

The Navy League of Canada, in addition to its hostel services, promotes a much broader programme on behalf of the merchant seamen and naval ratings.

The value of work which these organizations are doing is seen in the high morale of Canada's armed forces.

New Chemical Fireproofs Materials

The discovery of a new chemical fire retardant known as "CM" has put into the hands of man another potent weapon to keep fire, his most valued but least trusted servant, in check.

Clothing of all kinds, from little girls' frilly party frocks to arc welders' overalls and military uniforms may be made fire resistant by dipping or spraying them with the chemical so that, though they may char upon contact with fire, they will not burst into flame. Moreover, this chemical newcomer does not affect the "feel" or appearance of fabrics and it would take an expert to distinguish between treated and untreated materials.

The most immediate use of this fire retardant chemical will be in the treatment of soldiers', sailors' and airmen's uniforms, and of textiles for war machines, such as tank linings.

Canada Manufactures Fine Optical Glass

Until about a year ago, Canada had never manufactured commercially one pound of optical glass, not even the kind used for lenses of spectacles, which is actually second grade compared with the brand used in making range finders and other delicate instruments of warfare.

Modern war requires countless mechanical eyes—periscopes for the submarine and the tank, telescopic sights and range finders for the rifle and the big guns, field glasses and periscopes for the soldier. Thus the demand for optical goods soared high. Canada was faced with a twin problem. We needed far more optical goods than ever before and we were cut off from all but two of the main sources of this equipment. Great Britain, one of them, was very busy filling its own needs, and the expanding armament output of the United States, the other source, gave that country's optical plants all the work they could handle.

Beating Bottleneck

To get around this bottleneck of supply, Canada decided to manufacture its own optical goods. Today this is being done on a large scale by several hundred men and women in a big modern factory on the outskirts of Toronto.

The foundation for this development was laid in the laboratories of the National Research Council in Ottawa.

The optical glass is made of silica mixed with chemicals and melted by terrific heat until it runs like water. The slightest bit of foreign material will spoil a whole batch of glass. A small fragment of iron, for instance, will turn the glass green. Arsenic is one of the chemicals used in the glass, and in a warehouse at the plant there is enough arsenic to poison half the country. The arsenic acts as a cleansing agent, clearing the glass as it bubbles and boils in the melting pot.

While the glass is being melted, it must be constantly stirred. Metal stirring rods would be of no use for this job, because part of the metal would be absorbed by the glass. Clay stirring rods are used. By an ingenious method, water is kept circulating within the stirring rods continuously to keep them cool.

Glass for the finest lenses is cooled in a bucket. Then workmen mash the whole thing with sledgehammers. When they have finished this, they have a nice piece of crystal lump. The more perfect of these is selected to be formed into prisms and lenses. So careful is this selection that only about 500 lb. of each ton of glass is used. The rest, because of the tiniest of flaws, is tossed back for remelting.

One trick used in testing the glass is to project a light through it and onto a screen. In this way, the smallest flaw becomes very prominent.

Big Part in War Played by Negroes

Many thousands of British Negroes are today marching with their fellows of the British Empire, in the fight against Axis domination. The R.A.F. has its Negro airmen; colored seamen are braving torpedoes in the battle of the Atlantic. On the various African fronts dating back to the fighting in Abyssinia colored African troops including the crack West African Regiments have played an important role.

In the United Kingdom, where there is a limited number of Negroes, they are also playing their part in civilian defense, as air raid wardens or stretcher-bearers and ambulance drivers.

Canada which has a comparatively small Negro population has colored men marching with its armed forces. Hundreds of expert Negro foresters from British Honduras have arrived in England for tree-felling work. From the British West Indies, another large area of colored citizens, hundreds of Negroes have joined the fighting forces. Many hundreds of colored technicians from Jamaica, Africa and the West Indies have volunteered for war work.

No precise figures are yet available for publication on the number of Negroes in the British forces. In general, they form the bulk of forces raised in Africa and other outlying Empire areas where they form the main population. It is the general policy to retain the colored regiments of Africa within their own territory for fighting under conditions with which they can contend far better than white soldiers.

In the Dominions, colored members of the armed forces are given equal opportunity with fellow white members to qualify as commissioned and as non-commissioned officers. Because of their great capacity for manual labor, thousands of Negroes are working in shipyards and munition plants of the Empire.

AIRCRAFT "USE" PAINT

The 100-odd painters in the painting department of a Canadian aircraft plant use 18,000 gallons of paint per month, or enough to coat the hull of the "Queen Mary" half a dozen times.

The Aims and Principle of
WALDEN WOOD WORKERS CO. LTD.
St. Johns and Montreal
Serving the Textile Trade of Canada

These are strenuous days, days of restrictions, priorities and sacrifice and yet they are days of opportunity, for they present a definite challenge to us all, and properly appreciated there will emanate light and happiness out of darkness and fear.

A great deal is heard about our "Way of Life" meaning our liberties, our privileges, our family affections, our confidence in the future for us and for our children, but are we always fair in our analysis of these things?

We quite frequently spoil our present opportunity for success (and I am speaking now, as an employee of one company for twenty-one years) by not giving our unstinted efforts for the good of the concern we are working for, thinking only of the wages to be earned, and of the easiest possible way to earn them, and not appreciative of the employer who has given the opportunity of our obtaining our livelihood from the work provided.

Then as employers (and I am thinking now as President of a comparatively new manufacturing enterprise) are we not inclined to think in terms only of profits, material success, the profitable development of our organizations and perhaps sometimes apt to regard our employees as "Necessary evils", but to have no affectionate regard for them, not being interested in their welfare, either morally or spiritually.

There is an axiom from the highest authority, which reads "Provide things honest in the sight of all men" and if both employers and employees, in these times of stress would put this into daily practice, many strikes, much dissatisfaction, and difficult social crises would be avoided.

I am definitely of the opinion that if we as employers will strive honestly to give our employees adequate wages, and do all in our power to stress the ideals of moral rectitude and even religious principles, we shall receive in return a measure of reciprocative appreciation which will accentuate the production capacity of our operatives, so that our business enterprises will be more and more successful.

In my own experience as an employee, I found that by giving the best I had, always to my employer, working always and only for his best interests, regardless of time clocks or other schedules and attaining a genuine affection and regard for those who were placed in authority over me, that I was able to obtain the most lucrative position that was available.

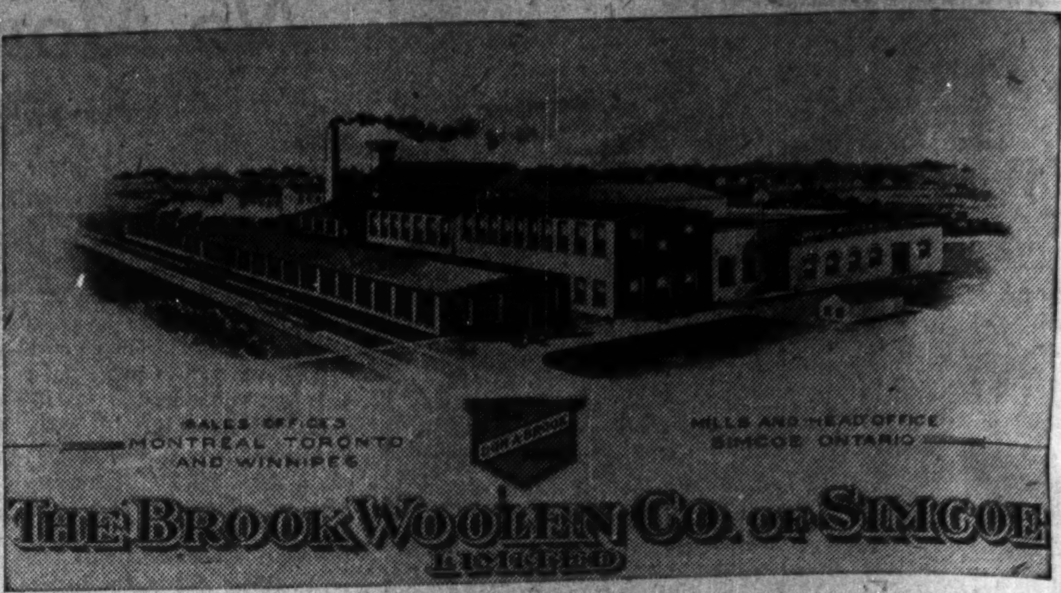
I believe that if we all would "seek first the Kingdom of God and His Righteousness" our business relationships would be happier, our homes would be happier, our consciences void of offence, and the material progress of the employee as well as the success of the employer would attain.

These are difficult days of war, there will be difficult days of peace, but whether now, during the war, or then in the reconstruction period, let us always remember that "Righteousness exalteth a Nation, but sin is a reproach to any people" and this principle is applicable to not only Nations, but business concerns, families and individuals.

As a new enterprise our objective is to so regard our employees with affectionate consideration, that they in return will look upon us as the Father of a family, and the quality of appreciation on their part will reflect in the quality of merchandise we produce, which in turn will make for smoother, and more effective operating in the many Textile Mills, we are happy to have, as our customers, and in this way our family of workers, and our group of partners in this growing enterprise will be co-operating with the great Textile Mills of this Dominion for the ultimate Victory which we expect to achieve.

Yours for Social Co-operation and Victory.

F. W. Walden,
President & General Manager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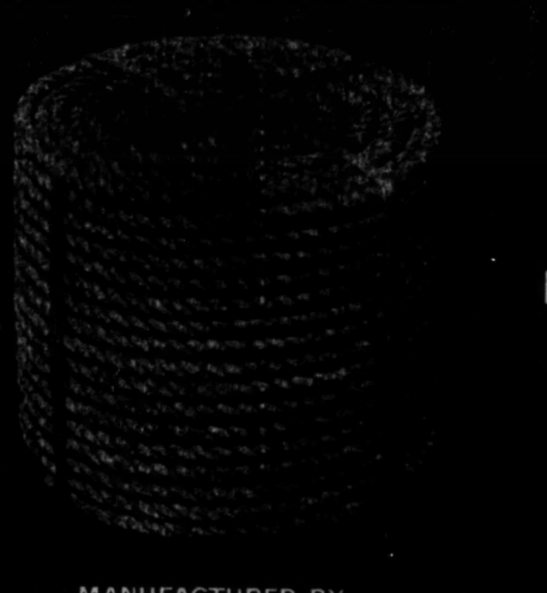

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The mounting production of shells, bombs, mines, tanks, army trucks, rifles, guns and gun carriers, combined with the needs for shipbuilding continue to consume steel at an accelerating pace. Requirements for war and vital needs have progressively absorbed a larger share of the available supply, and as a consequence, steel for less essential purposes has had to be curtailed. We are confident that all users of STELCO Products will thus bear with us under such circumstances.

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WORKS HAMILTON, MONTREAL, TORONTO, BRANTFORD, LONDON, GANANOQUE

Morale in the Armed Forces

The Army's Fighting Spirit

How We Build and Measure Morale of the Troops

After three years of war, three years of training, three years of waiting to come to grips with the enemy, Canada's army has a higher level of morale than ever.

This is not speculation, not guesswork. It can be stated as a scientific fact. It is the finding of skilled psychologists whose business is to know what our soldiers are thinking, what sort of mental fettle they are in.

Morale measurement takes into account cases of drunkenness, breaches of military discipline, civil offenses by men in uniform, complaints by the men, and other factors. Added up and dealt with statistically, these give a score that can be plainly read by experts.

The analysis of conditions is a preliminary part of the job. The real aim is the constant improvement of these conditions. It involves the progressive elimination of things which undermine spirit, plus the progressive introduction of things which build spirit up.

A basic level of morale is contentment. The soldier who is discontented and worried is not a good soldier. Thus contentment comes first. It is the foundation of that intangible but potent force called fighting spirit, which time and again has won wars against great odds.

Is Canada's army contented?

In answer to that, psychologists point out that there is little "grousing" by our men in khaki, and that the percentage of men who get into trouble for military or civil offenses is remarkably low. Furthermore, this is perhaps the soberest army on record. This is an important sign.

If drunkeness increases, it can be translated into the fact that men are bored, disgruntled, dissatisfied.

Fighting Spirit

There's no sense asking about the fighting spirit of our army. That would be superfluous, after Dieppe.

What authorities find is that the longer men are in khaki, the higher their morale goes.

The raw recruit, getting into uniform for the first time, and facing an entirely new kind of life, may have trouble getting adjusted.

The drill, the route marches, the primary instruction, may strike him as dull and tiresome.

Gradually, however, he gets an idea what it is all about. His studies become more interesting—give him an intelligent conception of war and war aims, and of the people and economics of the areas where the fighting is in progress.

He gets the "feeling" of the army; develops a pride in the traditions.

When he is posted to a unit, there's a sharp change for the better in his outlook. He now belongs, he is sure, to the "best outfit in the whole army," and he is proud of it, and he is determined that he will never let his comrades down.

What makes the present state of morale in our army particularly outstanding is the fact that it exists in spite of the long tedious period of waiting to get into action—a period which would, in the ordinary course of things, tend to be demoralizing.

What Makes Morale

The high level of morale is no accident. It is the outcome of a systematic effort, and the result of a realization that good morale cannot be improvized.

One of the lesser known branches of our army is the Directorate of Special Services, which functions under the Adjutant-General. This directorate has a staff of officers with a wide military background born of war and varied experience. There are trained psychologists, social workers and statisticians assisted in some cases by civilian experts.

Into the directorate pour reports from across the country. These are co-related, analyzed, compared.

If the men are grumbling about something it will sooner or later — and usually sooner —come to light in these reports. An isolated complaint has little significance, but if it turns up repeatedly it means there is a legitimate basis for it, and that action is needed to remove the cause.

The research section of the directorate steps in, makes a study from the psychological side, makes recommendations for remedial measures.

Public Opinion Poll

It is this section which was behind a questionnaire to the troops, who were asked many questions which had been scientifically framed to bring out answers about what they liked and what they didn't like.

Filling in these forms, the men did not have to sign their names. This anonymity prevented any worry about repercussions, and led to answers which were straight to the point. There was a space on the questionnaire for suggestions, and most of the men used it. About 90% of the suggestions made were intended to be constructive. Many of them have already born fruit.

In some ways the work of the research section can be likened to carrying on a public opinion poll in the army, for the section concerns itself with everything which might reflect the thoughts of soldiers. Among other things, it clips every newspaper or magazine article which deals with conditions among servicemen, and makes a running analysis of trends shown.

Then there is the information section, which looks after publicity directed at the soldiers.

It makes use of the press, of the radio, the moving pictures, camp newspapers and other media. It prepares booklets to tell the soldier about subjects which concern him and his army. It raises his interest in what he is doing by giving him a better idea of why he is doing it.

Another very important link in the morale building chain is the social welfare section, which serves as the informal liaison between the army and the civilian agencies and governmental departments which are responsible for the welfare of the soldiers' dependents. A soldier away from home is naturally concerned over anything which may affect the welfare of his family, and this section, therefore, seeks through existing channels, to neutralize any domestic worries which may affect his ability as a fighting soldier. A careful scrutiny is made of new regulations and policies which mignt result in a man becoming concerned over his dependents. Remedial recommendations are made accordingly.

A soldier's free hours are anything but dull; there's always some form of entertainment or sports going on. Surveys have revealed what he enjoys in his spare time and how much of it he is getting. Nothing is left undone in the army to co-ordinate the recreation programme with the training programme so that Pte. J. Canuck will be "tops" as a fighting soldier.

The military section is the liaison between the directorate of special services and other branches of the army.

The organization is completed by a French-Canadian section, which deals with problems which arise from differences in language, and promotes unity and understanding between French-speaking and English-speaking soldiers.

What things are important to a solider's life, stimulating to his morale?

Food is Important

Food comes high on the list, the experts say, and you get the same story if you visit army camps and talk to the men themselves. Eating is one of the simple pleasures of life; good food is vital not only to health but to spirits.

The food the army supplies is the best which can be bought and efforts are made to assure that it is well-cooked. Of course, good cooks don't grow on trees and the poor cook can spoil the best food, but more attention is being paid now to cooking than ever before in any army.

Camp newspapers are to be a major feature of the army morale campaign. So important is the daily newspaper to morale, that the British government established this portable newspaper, complete with its own linotype machine, to serve the troops in Egypt.

From time to time there have been isolated complaints about food in units which were unlucky enough to get a bad cook, but quick action is always taken to correct such a situation. Generally speaking the meals of Canada's army are well balanced, tastily prepared, attractively served.

Uniforms are important to morale. Like everybody else, the soldier wants to look smart and does not enjoy stepping out in an ill-fitting suit. The army tries to see that he gets the best possible fit. Incidentally when walking out dress was introduced, there was a certain amount of unavoidable delay about getting them to the men. This was responsible for grousing in some army camps, driving home how much a uniform means.

Letters from home are important and become more so the farther away a soldier gets from home. There has lately been a good deal said about this. The army publicity people have prepared articles and distributed them to the newspapers, encouraging friends and relatives to write men in uniform and telling them the sort of letters the men want.

A wife, for instance, should not devote more than 25% of a letter to a serviceman husband to discussing her troubles. He naturally wants to hear of these troubles, but the message should be leavened with a generous budget of news—news about Junior's new tooth, about Mr. Blank's hunting trip, about the engagement of the girl next door. The psychologists also say it should be remembered that a man's interests are not confined to his own home. His civilian life, that he has temporarily left behind, is made up of his neighborhood, his hobbies, his friends, his occupation, his business acquaintances. He wants to hear about them all. He likes to get snapshots, and newspaper clippings about people he knows.

Chaplains of the right type—sympathetic, friendly and able to inspire confidence—are important to morale.

Lectures to the men rate very high in building morale. Plans for post war rehabilitation will become more important to morale as time goes on, although the great majority thus far give less thought than might be supposed to their return to civilian life.

A large percentage of the men are studying various courses in their leisure time, taking advantage of the educational facilities offered by the Canadian Legion. While this hooks up with peace time re-establishment, at the same time it makes better soldiers for the job immediately at hand and opens the door for promotion.

One thing which has been found is that active service volunteers are now getting along much better with men who have been drafted for home defense. The volunteer has discovered that the draftee is doing an essential task well and has accepted him on an equal basis. Tens of thousands of draftees are with active service units on coast defense, bearing their full share of the load.

How Dieppe Reacted

A check up after Dieppe indicated it had a definite and favorable reaction in creating fighting spirit throughout the forces.

Softball and baseball are the army's favorite sports, played in season and out at all camps.

Movies are the most prevalent form of entertainment and there is scarcely a military establishment in the country where the soldier cannot see three different shows a week free of charge.

Concert parties are tops in popularity and are talked about long before and long after they happen, especially when a movie or radio celebrity makes an appearance.

The men like singsongs and their officers like them to like singsongs, knowing that these make for morale. In the last year of the last war, General Sir Arthur Currie heard Canadian troops singing as they marched up to the line for 100 days and nights of the fiercest kind of fighting.

"Thank God," he said, "that they are singing." Sir Arthur knew that a singing army is a fighting army.

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CANADIAN CELANESE in its place in Canadian Industry directs its maximum force to assist the common war effort and to keep for Canadians the Canadian way of life.

Research workers ceaselessly study how plants designed in peacetime to peaceful needs can be utilised for the urgent war requirements... How new essential products can be most quickly brought into being.

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in war and in the peace to follow

NO GROUP of manufacturers has more right to take pride in its war-time effort than the Canadian Textile Industry.

As an important member of that industry, Mercury Mills Limited have met to the full their responsibilities.

Vastly increased production has been necessary to meet all deliveries required for the armed forces, and to serve, as completely as possible with what is left, the needs of retail business and civilian demands.

This challenge to efficiency and enterprise has been met. Not once have Mercury's rigid standards of inspection been relaxed. Not once has quality been sacrificed under pressure.

When the goal of victory has been achieved, Mercury will utilize the experience of war-time to put forward the same undiminished effort in meeting the accumulating demands of ordinary needs.

MERCURY MILLS LIMITED

HAMILTON, ONTARIO

How Other Dominions Fight For Victory

"Short of everything but guts."

So reads the slogan on a pamphlet issued by the Government Information Bureau of Australia. The five words sum up the situation with admirable brevity.

Australia's war effort has been on such an "all out" basis as to leave her short of manpower and materials. On top of that, with the gathering menace of Japanese invasion, she is short of tanks, guns, ships, aircraft and short of time to make defense preparations.

New Zealand and South Africa fall in much the same category. Canada's sister Dominions are making a proud and mighty contribution toward the defeat of the Axis.

Australians and New Zealanders, tall, lean, tanned the color of old leather, have locked horns with the enemy on many fronts, have written deeds of shining valor into the scroll of history.

Their blood stains the desert sands of the Middle East, where they and the South Africans, the British and native troops of India, blasted Mussolini's dreams of Empire, shattered the Italian army, and battled the picked soldiers of Germany's wily desert fighter, Marshal Erwin Rommel, inflicting on them terrible punishment.

In the Pacific theatre of war, Hirohito's little yellow murderers have described them as "devils" — no higher praise could be sought from that particular source.

Here are some of the cold facts of what they are doing in the struggle.

Australia

First, Australia with her 7 millions population.

Australia has regulations which have placed her economy on a complete wartime footing.

Wages are pegged, profits are limited to 4%, all forms of speculative trading are prohibited, interest rates are fixed, the government controls employment, it is illegal to be absent from work, and districts designated as "danger areas" are under military jurisdiction.

When this programme was introduced by Prime Minister John Curtin last February, he declared: "We are at a stage in our history when the struggle for survival overrides every other consideration."

As far back as June, 1941, steps had been taken to outlaw strikes and lockouts at war plants, when workers and employers alike were prohibited from absenting themselves from work, with stiff penalties provided, and when the government exerted control over employment, it was tantamount to putting the civilian population under the same discipline as members of the armed forces. There is even a provision for compulsory service for certain civilians, at army pay.

Australia's Manpower Authority alone can authorize employees to shift jobs and such shifts are permitted only "when directed toward the fulfillment of a maximum war effort."

Canada's latest manpower regulations are of similar nature, but do not go so far in some respects.

For military service, Australia is drafting single men between 18 and 45, and married men between 18 and 35. Prime Minister Curtin, as Defense Minister, has taken charge of his country's army, air force and navy, co-ordinating the forces and streamlining organization. He is the link between Australia's war effort, General Douglas MacArthur, United Nations' military chief in the Southern Pacific theatre, and the various war councils in Washington and London.

It is estimated that in the last year Australia's war expenditures amounted to £319 millions. The budget called for an outlay on war of £221 millions, but this was boosted when Japan entered the conflict. Civilian expenditures were around £100 millions. In the current year it's expected that expenditures will reach £600 millions, with £500 of the total for war.

The Australians release no figures on war production, but the rate of expansion is indicated by the fact that the expenditure of the Munitions Department has increased 87% over the rate at this time in 1941.

War Industry

Not long ago Prime Minister Curtin said 318,000 new workers would be required for war industry before Christmas. Regimentation of female labor has already started, and 60,000 women will be drafted for war service before Christmas. Since last January in New South Wales more than 20,000 women have been diverted to war work.

So far, all war loans floated in Australia have been oversubscribed, and the loan market is said to remain fairly buoyant.

The war is turning Australia into an industrial nation from a primarily agrarian country. Big new factories are rising in many districts; airplane production has been notable; tanks, guns, munitions of many kinds are rolling off her assembly lines. Australian shipyards are working 24 hours a day, building cargo vessels and naval craft of the smaller types. Her navy is multiplying.

On the industrial front Canada is still ahead of Australia; but Canada is a larger country and has been an industrial power far longer. Starting with little in the way of production facilities, Australia has worked miracles, and her effort is still growing.

New Zealand

New Zealand, irreverently called "Little Wobbly" by many Australians because of occasional earthquakes, not long ago was described in an American magazine as "the staunchest of all Britain's supporters."

Her prime minister, big, rugged Peter Fraser, son of a Scottish shoemaker, worked as a longshoreman by day and read books on political economy at night. He made his first speech from a soapbox in London's Hyde Park, migrated to New Zealand, has been a member of that Dominion's Parliament since 1918.

He's a labor man, a reformer, an idealist, but he has not allowed this to stand in the way of putting his nation on a war footing.

With a population of only 1,640,000, New Zealand plans a war expenditure in the current fiscal year of £133 millions, compared with £53 millions last year.

Expenditures for civilian purposes have been cut; taxes have been raised all along the line, in some cases drastically. Here's how her expenditures are allocated for 1942: Army, £97 millions; navy, £10 millions; air force, £19 millions; civil, £7 millions.

Ready for Japs

In the face of the Japanese threat, New Zealand presents the picture of a country resolutely prepared to resist attack and to strike heavy blows at the Axis. Parks and vacant grounds in her major cities are filled with air raid trenches; many buildings have been converted into air raid shelters. Virtually all manpower has been mobilized, and an observer who recently visited Auckland and Wellington reports that there are few fit young men to be seen on the streets—that most of the able-bodied young men are fighting abroad or in training.

Public services are run with a minimum of human labor; trams and buses are operated by women; wounded returning from the Middle East are a common sight.

For her regular army, New Zealand has called up single men to 46. The latest call summoned married men (including those with children) up to the age of 32. Boys between 16 and 18 and men of 60 to 70 are enrolled in the Home Guards to supplement the regular army. Early this summer New Zealand had already mobilized for military service 9% of her total population, 25% of all males over the age of 16.

New Zealand's industry, like that of Australia, has developed amazingly. She has turned to the production of universal carriers, trench mortars, mortar bombs, high explosive bombs, grenades, small arms ammunition. A plant has been established to produce light aircraft for training; shipyards are making mine sweepers; all clothing and footwear worn by New Zealand's soldiers, sailors and airmen is made in New Zealand. Uniforms and blankets are being supplied to the United Kingdom by the tens of thousands.

In three years of war, New Zealand has shipped to Britain 821 million pounds of butter, 681 million pounds of cheese, 2,029 million pounds of meat, and more than two million bales of wool.

New Zealanders have contented themselves with second rate fruit and dairy products so as to send the best "back home" to Britain. From this little country, one out of every six men of military age has gone overseas, most of them to Egypt.

Twice in the last year Peter Fraser has travelled half way around the world to see how his countrymen were making out in the various theatres of war. In most countries he has visited, reporters have asked him: "How have you been able to do all this, in such a small country with such a small population?"

"We've simply gone all out," he has replied with his pleasant Scottish burr.

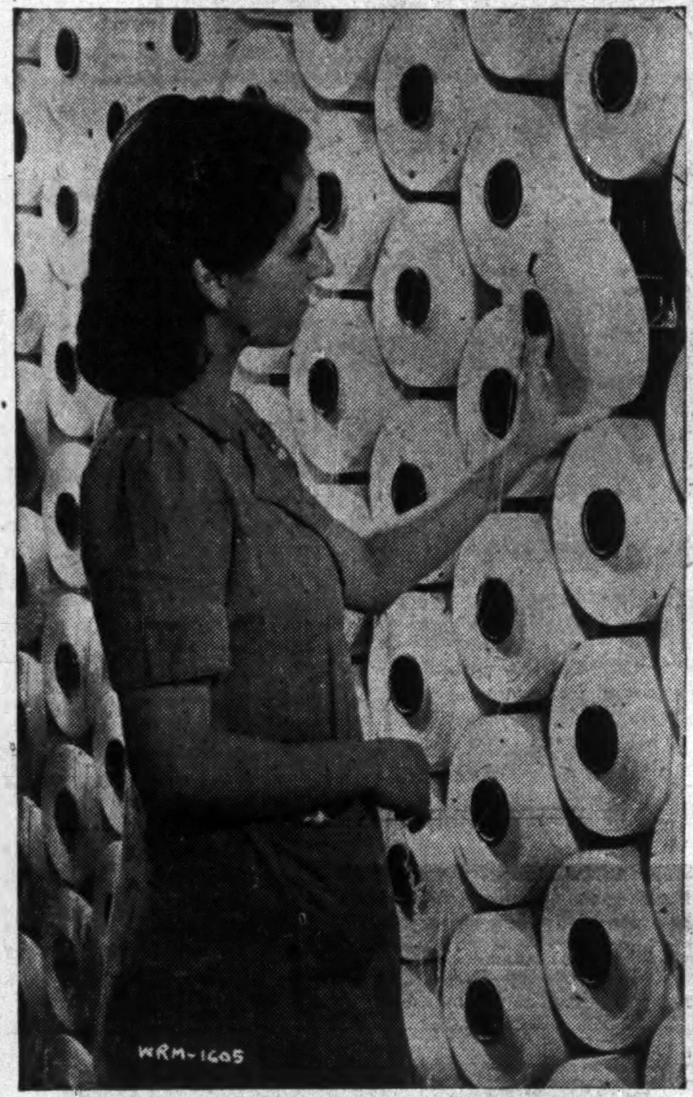
It cannot be said that South Africa was "prepared" when the war broke out, but, in some respects, she was better prepared than other Dominions.

Mussolini's invasion of Ethiopia had awakened her to the threat which might be expected from the totalitarian nations. Here in Canada the bombing and gassing and machine gunning of Ethiopian natives was very far off, very remote. It happened near enough to South Africa to serve a warning of the ambitions and the treachery of the Fascist aggressor. South Africa acquired tanks, aircraft, guns.

South African troops played a major role in freeing Ethiopia and restoring Haile Selassie to his throne; their victories in Kenya and elsewhere in the "Dark Continent" are well known.

Wherever they have met them. On the Libyan front these tall, broad-shouldered soldiers have fought every bit

(Continued on page 27)



Hundreds of spools of cotton hang on the warping machines. Eventually these threads will provide the lengthwise threads in cotton fabrics for uniforms, tarpaulins and the countless other uses to which cotton is put in wartime.

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- The Royal Air Force Ferry Command has, since its inception, drawn largely on R.C.C. for Wireless Personnel, with more than 100 graduates serving as ground station and air-crew Wireless Operators and Radio Technicians.
- A large number of R.C.C. graduates are used by the Dept. of Transport for service all across Canada, in Radio Range Stations, and Coast and Ship Stations—including stations serving the new Alaska Project.
- Trans-Canada Air Lines, from coast to coast, employ R.C.C. graduates as Wireless Operators.
- Hundreds of R.C.C. trained men from all parts of Canada have enlisted in the Navy, Army and Air Force; as Radio Technicians, Wireless Operators, and Instructors—both in the ranks and as commissioned and non-commissioned officers.
- In Industry, graduates of our Radio Technology Course are assisting such organizations as: Research Council, Ottawa; Research Enterprises; Inspection Board of United Kingdom and Canada; and all other leading manufacturers of war devices using radio principles.
- R.C.C. operates—besides its main school—a separate school as its Women's Training Division, and a Women's Residence for Trainees, from which, during the next five months, more than 150 women will be graduated.

PLAN FOR PROMOTION—TRAIN TO GET AHEAD

Inquiries are invited from both men and women, over 17, who would like—through such positions as the above—to help Canada's war effort and assure their own peace-time future. Courses in Wireless Operating and Radio Technology may be taken in Day or Evening Classes, or by Home Study. NEW CLASSES COMMENCING SHORTLY. Moderate Fees. Easy Payments. We are open all day and every evening till 9 p.m. Write, Visit, or Telephone us for full particulars. Midway 9886.

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Science of Camouflage

How It Protects Armies, Enables Surprise Attacks

"So skilfully had our fighting troops been insinuated into their concentration areas, so good were the arrangements for deception, camouflage and dispersal . . . that enemy observation and interference from the air prior to and during the advance were negligible."

So ran an extract from an official communique issued by British Headquarters at Cairo, announcing a fifty-mile penetration during the start of the Libyan campaign.

Camouflage is by no means new. The British khaki army uniform, like the German field-grey, is an example. Both are based on the adoption by certain animals of protective coloring to render themselves invisible against their background.

With the development of air warfare, camouflage has tended to become more and more a science which calls in the aid of art and a host of auxiliary sciences.

Camouflage materials are being manufactured by several plants in Canada, and some of the Canadian technical schools have courses on this subject.

The most powerful enemy of any modern army is the camera in the reconnaissance aircraft, which is able to detect more than the human observer can from a height. Tents, barracks, guns and tanks must be hidden from sight, of course, but troops themselves, and the tracks they inevitably make on the ground to places like gun pits, stores and water also must not show as revealing pathways to the airman who flies over.

It has been said that an army, standing or moving, "writes its signature on its background, so that he who flies may read." Modern camouflage has to take this into account, so that the soldier and his machinery not only fade out against the surrounding landscape, but also disappear into the ground.

Camouflage has been made essential also to the aircraft and armaments factories, to conceal them from the air raider.

In Germany, the shapes of lakes have been altered to destroy their value as water "land-marks" to raiding R.A.F. bombers. But shrubs grown on the railway station roofs of Hamburg, for example, and nets stretched across Berlin streets have not been sufficient to disguise them from R.A.F. planes.

In Britain, one may see a factory so skilfully treated that even from a nearby road it takes on the appearance of a village, with a few rows of cottages separated by lanes. No bomb has yet fallen near it.

The British Ministry of Home Security has its own distinct establishment, where in conjunction with schools of the fighting services—the Army, Navy and Air Force — new camouflage methods are devised by experiment and new materials tested.

In the Western Desert of Africa, a famous professional magician, whose conjuring has delighted audiences of several generations in a London theatre, is one of the experts whose task has been to advise on the best camouflage methods in this land of sand and scrub. Helping him are a well-known stage and film designer, a landscape painter and a Cambridge biologist, who is the author of several standard works on protective coloring in animals.

From the scanty wild life of the desert, they have brought many lessons to bear. Gazelles, foxes, zebras and larks contributed examples for study. The texture of the gazelle's coat, for instance, showed how best a gun-barrel could be given necessary flatness against the glare of the sun.

In Africa, an "imitation" airfield was detected, and one night a light-hearted pilot dropped two wooden bombs among the mock aircraft invitingly displayed there.

Engineers, Biologists

At the British army camouflage school, the new science of deception is taught with all the aids that can be brought to assist in solving the many problems of concealing armies.

Engineers, physicists and cinematographers mingle there with architects and artists, zoologists and botanists.

The pupil learns all patterns of landscape, from the hedgerows of the English countryside to the ripples, scrub and rock of the desert. Sketches and photographs show why it is wrong to place a protective ring or square around a gun battery on a shore or open heath; how a gun may be dappled with color until it is perfectly camouflaged — but still throw a shadow! He is taught to "kill shadows," an expression borrowed from photography, how to make use of existing roads and tracks, to make new buildings resemble old ones, and what can be done with nets. He discovers, too, why the belly of a fish is silver while his back is dark, and why the moth alighting on a tree is so hard to find. From models, he learns how to make an anti-aircraft battery invisible from, say, 10,000 feet, and a sniper from 30 yards away.

An amusing model shows a lady at her mirror. Net curtains at the window let in the light, but conceal her from curious glances outside. Her negro maidservant, however, is even more difficult to distinguish in the model, against the background of a dark tapestry wall.

The lessons of scale, pattern, texture, tone and color are taught by experts, and their application to the art of concealing solid objects is illustrated by films and in practice.

Do Plan to Scale

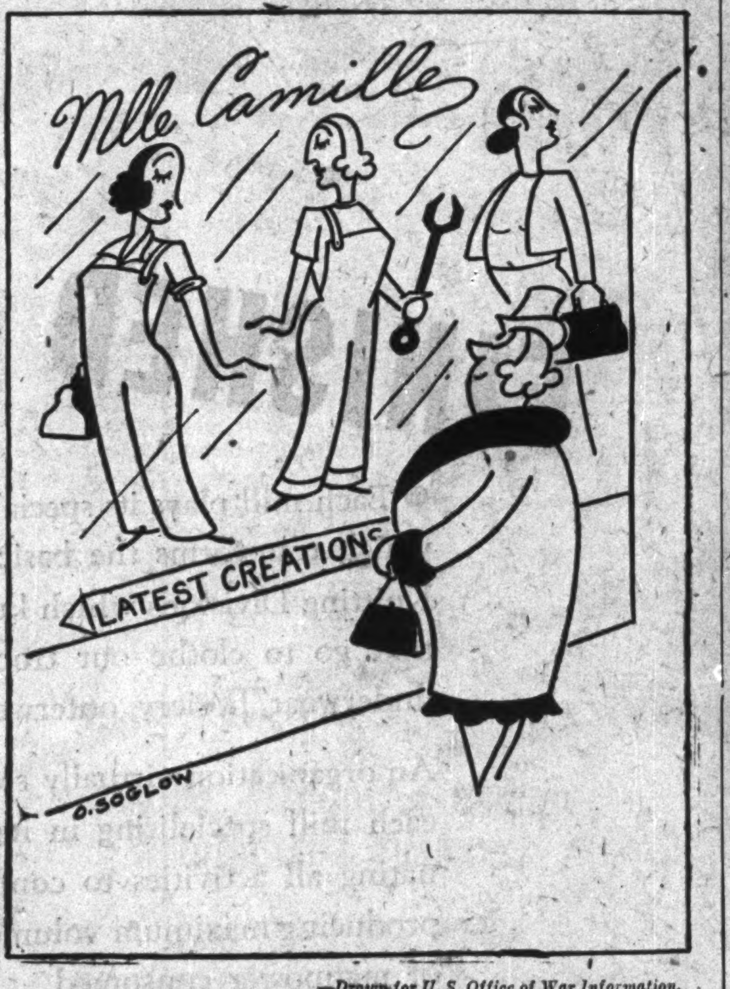
When a given factory or other establishment has to be camouflaged, the site is first examined from the air. It is then photographed, and a model constructed to scale. A color scheme is then worked out, applied to the model and inspected in different conditions of light and weather, and photographed at various distances by color process. Finally, a complete plan is drawn to scale and the scheme is applied to the site itself. Only when the result has been inspected again from aircraft, and any necessary alterations have been made is the task regarded as complete.

Millions have been spent on camouflage in this war by the British authorities. Thousands and thousands of acres of net have been knitted by blind workers, to whom this job is particularly suited, as well as by fishermen and their wives. With these nets, appropriately colored and used in conjunction with strips of cloth, tree branches and leaves, it is possible to disguise almost completely a road convoy of tanks, big guns and army trucks.

At sea, the dazzle patterns in which ships were painted during the last war have been abandoned — air observation has rendered them obsolete. But smoke screening by warships has been developed to a far greater extent, and the uniform grey of fleet units matches closely with the sea mist in which they so constantly work.

Various methods are used to make the airplane invisible against the sky to the ground gunner. The fighter aircraft frequently has one wing painted grey beneath, and the other silver. The bomber's belly is obscured in various shades of cloud, while the night fighter's jet black coat helps to make him invisible to the raider in the dark.

The rules of camouflage are still being learned, as are the rules of all new sciences, by trial and error based on the solid foundation of common sense.



—Drawn for U. S. Office of War Information.

Once Made Auto Lamps Now Produces Helmets

In Windsor there is a company which used to make automobile lamps. In Toronto there is a plant which manufactured aluminum pots and pans.

Today they are both producing steel helmets for the armed forces.

This is typical of the way civilian industries have gone on "active service" to equip our soldiers, airmen and sailors.

Making a small part for an anti-gas respirator is less dramatic than building tanks, guns, planes or ships, but, in its own way, it is just as important. A dozen Canadian companies, whose products in peacetime ranged from stoves to chicken wire, are doing just that—making small parts for anti-gas respirators.

A manufacturer of zippers and dome fasteners is now producing parts for web equipment. So is a manufacturer of brass goods.

In all, hundreds of plants scattered across the country are contributing to the equipment issued to the armed forces. The words "made in Canada" can be stamped on everything our fighting men get from the quartermaster.

Bathtub For War Metal

That metal war products should need a bath to make them clean for the dirty work they have to perform may seem paradoxical, but the durability of any instrument of war is dependent upon the final finish, and that finish can only be applied after the metal is thoroughly cleansed of oil and other surface dirt that adheres after the machining operations are over.

In the modern high speed industrial bathtub the cleansing fluid is a chemical called trichloroethylene—"tri" for short. Tons of this chemical solvent are required each month in the cleansing of shell casings alone in Canada.

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ARMED FORCES
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AMMUNITION"

Ammunition, says our Thesaurus, is "arms" in one sense, "stuff" in another.

We cannot all be in the business of making arms. For us, we make fabrics. "Stuff", may be.

As we watch our fabrics coming off the looms, as we send them on their way to as many uses as our Government can make of them, it does our heart good to know that we, in our part, are "passing the ammunition" — even though ours may come under such a common sounding heading as "stuff".

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The CANADIAN BRIDGE COMPANY LIMITED

Morale in Industry

Right Men for the Job—Basis of Plant Morale

Army and navy officers have been quick to recognize the value of psychological tests in placing a man where he will be of most service to his country. How about business and industry? Are they as alert in hand-picking the man for the job?

The question was put to personnel managers of two or three big plants.

Their general answer is that business houses are going in more and more for psychological tests as an aid in placing employees. Some firms employ a consultant in psychology to co-operate with the regular personnel staff—but, as one manager pointed out, "we have our own methods of analysis; proved tests to draw on from long experience, and they show about as good a batting average as is possible in a world of chance and change."

How about the University Extension Classes in personnel selection?

They have their value, personnel managers state, especially for the student going in for personnel work. As an aid to the experienced personnel manager, there are mixed opinions. In a class containing a group of these recently, what started out as a lecture developed into a conference. The teacher himself recognized that these men of practical experience had much to contribute to the psychologist.

Analyze Character

"How do you analyze character?" he was asked. "That is, how do you choose the right man or woman for the job?"

The choice of workers, he explained, is influenced by the demands of the firm employing them. Where highly skilled men are needed, or technicians of a type that are hard to find — the experience and skill of the worker counts before personality. But the firm which offers a course of training, or one that develops partly experienced employees, can pick and choose. This is where character, personality, ability and education are weighed with fine accuracy.

When John Brown — or Mary Smith — sits stiffly on the edge of the chair opposite the interviewer, his first act is to establish a friendly atmosphere. Fear, it seems, is the distorting influence in any interview. Any good employment manager knows it is not possible to make an accurate analysis while a man or woman is under a nervous strain. A cheerful remark — and tense nerves relax. A feeling of goodwill is created — and the interviewer can then turn his attention to the matter at hand.

The manager studies the filled-in form handed him by the applicant. He is given the fullest consideration — his ability, experience, personality, with the aid of such sidelights as letters of introduction, his home address and so forth.

Aids to Judgment

Even with these helps, it was pointed out, wouldn't a personnel manager have to be a good judge of character?

As an example he told of an instance where eight district managers were asked to choose the best salesmen from a group of 12 applicants. There was a glaring difference of opinion although each manager believed his judgment to be foolproof. Mr. A. and Mr. B. chose applicant four as the top man. Mr. C. ranked him second, while Mr. D. chose applicant five. One of the others ranked him tenth and another put him down at the foot of the list. Applicant seven was placed at the top by Mr. G. and tenth by Mr. F., and at the bottom by Mr. H.

From this it is pretty obvious that the character of John Brown —or of Mary Smith—should not be judged superficially. The more elusive traits must be arrived at either by proved tests of the personnel manager — or by the help of a psychologist. Here are some of the questions they must decide.

How much goodwill does this man create?

How stable is he? Is he a night reveller, a daytime clock-watcher? How does he put in his spare time? Is he a spendthrift? Is he an individualist? Will he cooperate with the others on the staff? Granting his skill — how longs does he hold his jobs?

If an applicant has had too many jobs, he is passed up as a drifter. When there is a continual changing of employees it costs the management too much in hiring and training; lower production.

When there are many applicants after one job how does the personnel manager decide?

Practical Tests

One manager advocates a practical test to weed out the inefficient. A 15-minute test in stenography will eliminate most of those not qualified. Other executives take the view that some efficient workers are not at their best under stiff competition. Each holds to his own tried-out ways of testing and character-analysis, which they point out have been proved by years of success.

Granted he has been accepted and his name is on the payroll—how does the new employee fare? Is he left to sink or swim in his strange environment?

Definitely not. The old method of leaving the newcomer to feel his way is out. Personnel executives are unanimous on this point. They recognize there can be no clear judgment on how a new worker will perform unless he is fully acquainted with what he is supposed to do.

Before he reports for the warehouse, the office, the factory, he is given pointers as to the customs and ways of the firm. Thus he enters with a sense of confidence, a feeling that he can go ahead without appearing to be a muddlebrain. Even there he is not left to "guess." He is tactfully helped over every new step. He is made to feel he is one of the firm. His chief need is for friendliness—and he gets it.

Personal Angles

If the new employee is not filling the job the placement manager makes it his business to find out why. Perhaps he has a personal problem. Or he may feel antagonistic to his associates. There may be a physical handicap which he kept dark at the interview. Here again is a case for the psychologist.

On the other hand the mistake may have been in placing the employee. If so, he is transferred to another branch where his skill can develop. Plants and business houses make a very strong feature of reclamation. Every aid is given to build up the employee in a new branch, if he has failed in another.

If he falls down in this new branch and there is no other opening where he can fit in, he is promptly released. It is felt that repeated failure undermines his confidence; hence he should not hang on. He should be free to continue his search for a place more suited to his ability.

If he is a young recruit on his first job he is not precipitated into a place until he is well equipped to handle the work. Even then, liberal allowances are made for his youth. The manager realizes that it takes time for a young stenographer to get used to the eight-hour clatter of typewriters around her; for the salesgirl to adjust herself to rush hours in a modern store; for the boy in the shipping department to limber up to a full day's exercise in loading his hand truck. The new broom sweeps clean only after it has shaped itself to the niches and corners.

They have rather overdone it—in the judgment of an employment manager of a large war plant—they have bent backward as it were, in their efforts to encourage and inspire young employees. His firm has trained and placed hundreds of young workers, mostly girls; many of whom had never earned money before. Others who have worked had never pulled down such big wages. It goes to a girl's head, complains this manager. She overestimates her value. As soon as she learns her trade so that she is of real use to the plant, off she goes hunting another job with bigger pay. Scores of them have left, and new recruits are constantly being trained. The older girl, it appears, is more stable, although often not as speedy a worker.

The workers are not war conscious—is this manager's criticism of employees generally. They are not pouring all their energies into the work as a matter of defeat or victory. They have not yet realized the seriousness of our position, nor the fact that we might even lose the war. There is little thought of sacrifice; or that they must put their shoulder to the wheel with a determination to win. Most of them are earning more money than they've ever seen before, and many are out to spend it on extravagances.

What is the make-up of a good personnel manager? The question was put to a professor in this branch; he replied succinctly:

"The French may have a word for it, but I never heard it." The job, he went on to explain, isn't merely one—but a dozen-in-one.

He described the personnel manager as the balance wheel of the entire organization. A juggler, so to speak, keeping a dozen balls afloat with perfect timing. Besides finding the right man for the job, he must develop and maintain harmony between the employees and the management. He irons out kinks, keeps the staff happy, builds up their morale and keeps them working at the top of their form.

A good personnel manager must have the understanding, tact—the "common touch" of a doctor; the justice of a lawyer, and the business acumen of an expert sales manager. As an industrial relations man, he must know the problems that are met by workers in fields other than his own, in the same way that an eye-ear-nose-and-throat specialist must have training in general medicine.

His work can be as broad as he likes to make it. He may conduct research for the management, and handle the problems of the organization as well as those of individuals.

The management—let us say—decides on a new plan for speeding up the output of needed war materials. The demand is for "more work and faster." It isn't going to be popular with the employees. At noon hour they stand around in small groups discussing it. Some may decide to quit. There may even be the threat of a strike.

The personnel manager has anticipated this, even before the order went out to the staff. He has studied the problem from every angle and has it well in hand. It is up to him to iron out the difficulties, to create goodwill, to make the new order appear as easy as possible. He has his own ways of meeting the situation. It may be to introduce some convenience that will eliminate the hardship. Or he may appeal to their patriotism. Whatever his plan, he is the man to keep t wheel going, a full staff worki at top speed.

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Morale in Industry

Creating Job Enthusiasm

New Book Useful Guide to Organizers

In each working force there is a considerable reservoir of productivity that cannot be fully tapped by appeals to cupidity and certainly cannot be even begun to be tapped by compulsion. This is the theme of "How to Create Job Enthusiasm" by Carl Heyel.

The main basis for Mr. Heyel's book is that the great majority of workers want to do a good job at whatever they happen to be working. The responsibility for doing that good job, however, does not rest on the worker alone. Job enthusiasm is a dual responsibility of the worker and the management. Just as management is ultimately dependent upon labor for its measure of success so is labor dependent upon management for guiding production so that jobs will be secure and profits will allow good wages. Job enthusiasm hangs on a complete understanding of this interdependency and a determined desire to harness labor and management into one working force with a common objective.

Can't Delegate It

The responsibility for job enthusiasm is something that top management cannot delegate. When one delegates authority or responsibility, the purpose is to be in a position to forget the delegated function for the time being, and responsibility for job enthusiasm is something management cannot afford to forget, even temporarily.

Even if the worker is inefficient and indifferent to his work, little or nothing is gained by blaming him. He is the tool with which management works, and "a poor workman always blames his tools." He is an animate, conscious, intelligent human tool, and not a blind instrument. The executive who overlooks the human element and treats those whose labor he directs as if they were part of the inanimate equipment of the plant, is displaying as poor craftsmanship as is the machinist who tries to cut steel with a lead tool.

Continuing Policy

In times such as these it is comparatively simple for a management to gain the whole-hearted support of its employees. However, Mr. Heyel says:

> "It would be a serious mistake to conclude that the only opportunity to talk to employees about project significance, comes during dangerous and dramatic times of public emergency. In a competitive economy such as ours, practically every business enterprise that has even a slight history behind it, must have proved to the customers who support it that in terms of goods and services rendered, there are sound reasons for its existence. Management should do all it can to dramatize these reasons to its employees, even as, through institutional advertising and other publicity techniques, it so often dramatizes them to the public."

Such items as the bestowal of titles, preferred location of desks, names on office doors, and the like should not be overlooked. A bench carries with it little special significance. But place one desk out of line with the others and the occupant is acclaimed the senior clerk. Reverse its position so as to face the others and the head clerk becomes a supervisor. Give him a larger desk, a telephone and, if possible, a small red carpet, and the supervisor rises to the status of an executive.

On Anonymity

In mass production industries, opportunities for the worker to emerge from his anonymity do not often occur. However, they are worth searching for diligently. The case is cited of one plant that turns out millions of fire bricks in standard sizes. Each day, however, there are usually some demands for bricks in highly special shapes and sizes. Such custom jobs go to experienced molders, each of whom has a personal stamp reading "made by so-and-so" with which he makes an impression in the moist clay before firing. As a result, that workman can look at such a special job as his and pride of craftsmanship makes him take double care to turn out good work.

Creative Instinct

Management can take definite steps to give some of the satisfaction demanded by the creative instinct to workers who of necessity are only small cogs in a large organization.

For example, workers can be given more of a feeling of making something by being brought a better idea of the end results of their work. Management can appeal to the creative instinct by broadening, where possible, the latitude of individual worker discretion. No craftsman worthy of the name will tolerate a boss standing over his shoulder to tell him exactly how to do his work; it suffices that the boss tell him what he wants done. Nothing is so stifling to the self respect of a worker as the feeling of too much supervision.

Money Appeal

Industrial psychologists have amply demonstrated that the money appeal is not necessarily the most potent force for employee stimulation available to management. The criterion should always be: In what direction are money incentives driving employees? In at least one large life insurance company, the agents are compensated on the basis of customers they hold, rather than of the prospects they sell. The agent who looks after his client and shows a high rate of renewals earns the highest rate of commission. The agent who neglects his customers once he has sold them, is penalized.

Get Perspective

Employees must be made, says Mr. Heyel, to grasp the perspective of their jobs. They must see their own daily endeavours in relation to the work of the company and industry as a whole. One company making floor coverings farms its sales trainees out to large department stores selling its products, because it considers an understanding of retail operations and the consumer's viewpoint extremely important. The men work side by side with the regular store employees, dealing with practical sales problems and learning to talk the customers language.

Getting employees to participate in the preparation of manuals, rather than having such books spring full-blown from the personnel department, is an effective "mind stretcher."

Giving Praise

Employees can also be made to feel that they are a real part of the organization through sincere praise from the top. There are cases where men have carried brief letters of commendation for days. They proudly showed them to everyone in the office and carried them home to show their families and friends. Publicity regarding promotional opportunities and publicity about employees who have just been promoted in employee magazines and on bulletin boards, contribute to the feeling of partnership and are definite stimuli to enthusiasm.

Long Term Plan

Personnel programmes should not be content to deal only with current conditions. This calls for thinking now about new products or services for the future and about training procedures that will enable the maximum number of employees to adapt themselves to changed conditions. More emphasis is being placed on security. In addition to a company guaranteeing fixed annual income, more and more companies have been making retirement programmes and group insurance a part of their personnel practices.

Employee suggestions are an important part in creating job enthusiasm. An important point to keep in mind in connection with employee suggestions is that enthusiasm will suffer unless some sort of acknowledgment, with thanks, is made of the many suggestions submitted that cannot be used.

It is said of Henry Ford that in conferences with his staff he often says: "Go ahead, I'll sit here and represent the public." Mr. Heyel declares that in connection with policies affecting employees, it is imperative that more and more management, especially of larger enterprises, have someone who sit in at councils and says: "Go ahead. I'll sit here and represent the employees."

A requisite for spontaneous discipline within the company is that basic labor policies should be thought through and put down in writing. This policy should be phrased in "overalls English."

In his 240-page book, Mr. Heyel develops in some detail and with a considerable number of case histories, the points touched upon here along with other proven ideas for stimulating employee enthusiasm. Mr. Heyel's book sells for $2 and is published by the McGraw-Hill Book Company, Inc.

How the Dominions Fight For Victory

(Continued from page 24)

as bravely as their comrades from "Down Under," and no one could do better than that.

Unlike the Australians and New Zealanders, they have not gone abroad for their battles. There has been plenty for them to do on their own continent.

In the successful campaigns in East Africa, South Africa put in the field an army of more than 120,000 men—this out of a white population numbering not much more than 2,000,000.

Internal development has followed the familiar pattern of the other Dominions—tremendous expenditures, tremendous industrial growth, skyrocketing taxes, governmental controls. Prices are controlled to prevent inflation and profiteering; imports and exports are controlled to conserve exchange and ensure the most advantageous use of shipping facilities; gasoline and tires are rationed; railway travel has been rationed so as to enable larger shipments of food and war supplies.

The production, sale, use and distribution of numerous commodities, such as rubber, tin, paper, glycerin and scrap metal have been regulated. A food controller has been appointed; the Minister of Labor has been armed with wide powers; strikes at war plants have been outlawed.

Up to the end of the 1941-42 fiscal year, South Africa had spent £137 millions on the war and £80 millions has been earmarked for war expenditure in the current year.

The African Dominion is not highly industrialized; nevertheless she has reached a point where she is able to provide her own fighting men with most of their weapons. She makes armored cars, transports, trench mortars, bombs, howitzers and great quantities of other armaments. Her factories now employ 350,000 workers, 125,000 of them Europeans.

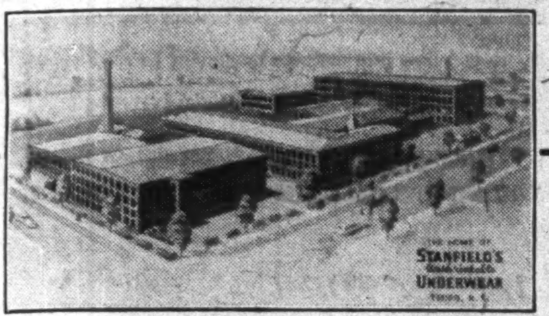
A great deal of credit for what she has accomplished is due to General Jan Christiaan Smuts, that fine old soldier-statesman, who nipped in the bud a Nazi plot for revolt and sabotage and put down the Ossewabrandwag, a powerful organization with pro-German sympathies which was spreading dangerous propaganda among the Afrikander population.

WAR-TIME TRAVEL TIP NO. 3

He hasn't learned to TRAVEL LIGHT!

In wartime help conserve available railway space—and add to your own comfort—by travelling with a minimum of baggage.

CANADIAN PACIFIC - CANADIAN NATIONAL



Home of Stanfield's Underwear—Truro, N.S.

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If many of our customers cannot for the time being obtain all the lines of Stanfield's Underwear that we were able to provide in peace time we want them to know that it is because war requirements must come first.

We are proud of our products and realize that our retail distributors have been a big factor in building our business and reputation. We have an obligation to our customers and the Canadian public—also to our own employees, those who work with us now and those in the armed forces.

At the present time distribution may be the second line of a country at war but later it will be the first line of a country at peace.

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LIMITED
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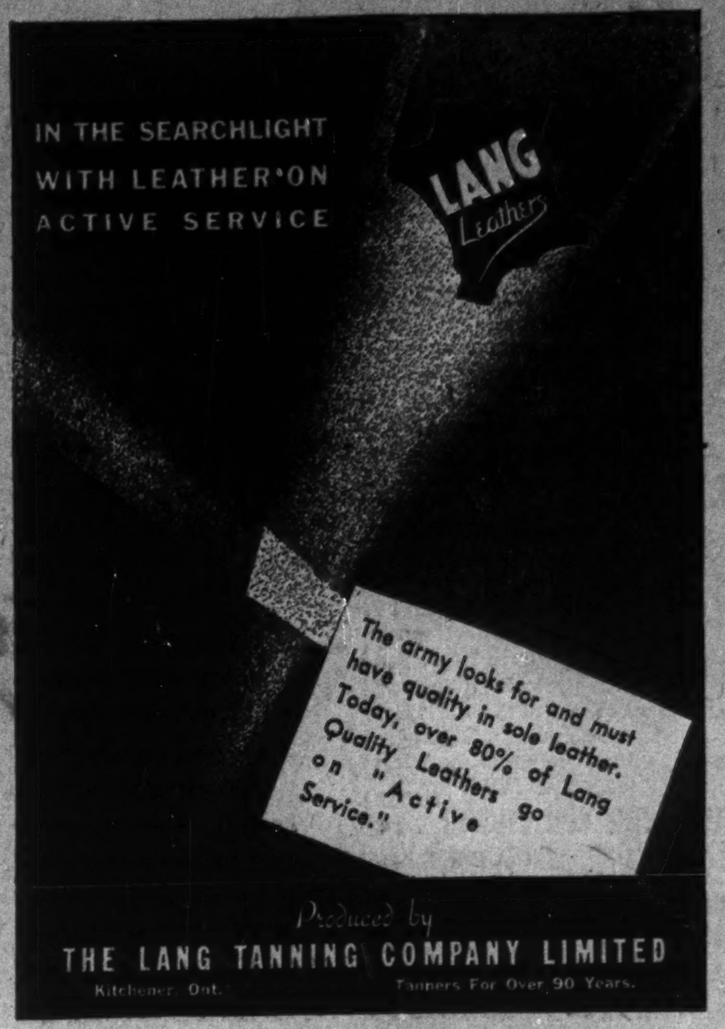

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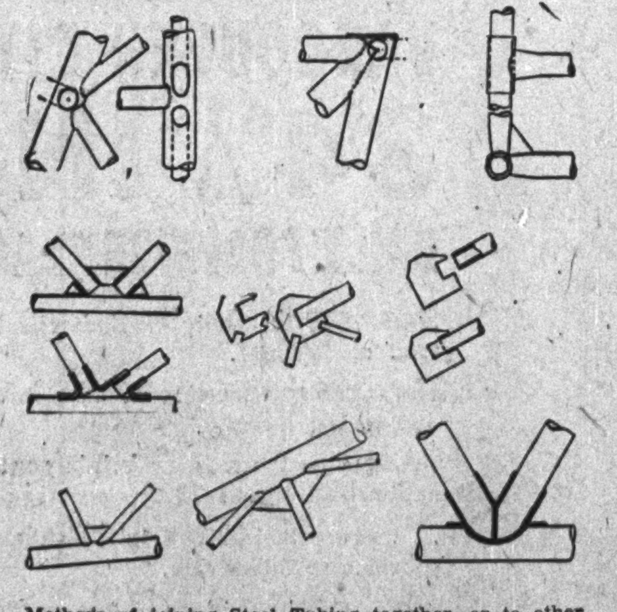
Advantages of STEEL TUBING AS STRUCTURAL OR MECHANICAL MATERIAL

In most designs, it is almost impossible to predetermine the types of stresses which will be encountered. Analysis shows however, that Steel Tubing comes closer to meeting all conditions of an ideal section than any other structural material.

Where the section must be designed for equal loading in any direction, a tubular beam of circular cross section will have the least weight for a given strength and stiffness.

Tubing can readily be changed in section to meet varying conditions of stress, and it can be bent with equal ease in any direction.

SOME METHODS of JOINING WELDED STEEL TUBING....



Methods of joining Steel Tubing together, or to other sections, can be classified under two headings:

MECHANICAL METHODS	WELDED JOINTS
Threaded Joints	Gas Weld
Riveted Joints	Arc Weld
Drive Screws	Braze
Tapped Plugs and Screws	Solder
Slot and Plate	Resistance
Friction Clutch	Electric Weld of Various types
Telescoped Joints	

Illustrated above are typical joints or connections used in heavily loaded tubular structures. In several instances, web plates are used as stiffeners.

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On the home front, where training is equally important, films are transforming thousands of unskilled and semi-skilled laborers into technical experts.

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- ✓ Films are being used to train foremen and supervisors into important key posts.
- ✓ Safety education films are winning the battle against death and injury in our factories.
- ✓ News-type films are bringing a greater sense of responsibility to our industrial army.
- ✓ Entertainment films are providing morale-building relaxation to workers in their rest periods and off-hours.

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How Sound is Living Cost Index?

Some of the Biggest Price Boosts Are Not in the Index

By KENNETH R. WILSON

In this second article on Canada's price ceilings after a year's experience, Kenneth R. Wilson finds that most of the complaints against the cost-of-living index originated with the increases in semi-luxury prices, most of which are not included in the index. Basically, this complaint boils down to the fact that many Canadians live at a higher standard than that which the index is designed to measure. To these, the index is more a gauge of the cost of subsistence than of the cost of "living," but for its designed purpose it remains a substantially accurate indicator. A subsequent article will deal with the problems that W.P.T.B. will face in 1943.

Most controversial feature of price control in Canada so far as the average housewife or man-in-the-street is concerned, is the cost of living index.

The easiest way to start an argument is to comment on what is without question the most incredible statistical fact in Canada—that since a year ago the cost of living index has only risen about 1½%.

If you start the conversation by asking your friends how much **their** living costs have risen, you will probably get answers ranging all the way from 10 to 50%. They will cite the fact that pullet's eggs were selling in Montreal last week at 60 cents; that oranges are just twice what they were a year ago; that a two pound box of chocolates costs $1.18 instead of $1.

Facts for the Record

Right here might be a good time to put on the record a few important facts about the index itself. This may help to dispel a few misconceptions and misunderstandings about it.

The "factors" or "weights" which go to make up the index are as follows: food—31%; shelter—19%; clothing—12%; home furnishings—9%; recreation, transportation, fuel and light—each 6%; life insurance—5%; health—4% and personal care—2%. Actually about 90% of these items are inside the price ceiling—the remainder (chiefly life insurance fruits and vegetables, etc.) are not included. But there are a lot of things which people in higher income brackets buy which are outside the index entirely—for example candy, jewellery, clocks and watches, and other items such as those on which Mr. Ilsley clamped a whopping big luxury tax last summer. The tax on candy, for example, is 30% but that doesn't affect the index because there is no weighting for candy. The tax on a lot of other "frills" such as those already mentioned, is 25% but none of these items figures in the index.

Of all the new taxes imposed last year the only important one which might have affected the index was the new tax on cigarettes. In this case a special order-in-council was passed to enable the tax to be excluded from the index. So remember when you are shopping that part, at least, of your increased cost of living is due to taxes and is outside the items which comprise the index.

Food is One Third

Food represents almost one third of the index "budget." Yet apart from butter, bread, milk and beef (which represent almost half of all foodstuffs included in the index) no single item of food has a weighting of even as high as 2%. This is important because it illustrates an important fact about the index, namely that for most items it takes a tremendous increase in price to bring about even the most fractional increase in the index.

Another thing which housewives are apt to overlook is the fact that prior to the introduction of the price ceiling, food prices had risen no less than 26.3%. The rise in the total index in the eight months prior to price control had been nearly 8%—which means that when the ceiling came into effect, prices had risen very considerably from those which prevailed even in the summer of 1941. Since the introduction of the ceiling, prices have risen only 1.5%, according to the index. Almost all of this increase (1.37%) being due to higher food prices.

Staples Predominate

The most significant factor in keeping the index pegged at this very nominal increase is that more than one third of the foodstuffs represented in the index are represented by three staples (bread, milk and butter) items which have very largely been "pegged" at retail, by payment of subsidy to producers.

Recently I asked statistical experts here at Ottawa to estimate how much the cost-of-living index would rise if the higher price now being paid to farmers for milk, butter, wheat, etc., were to be included in the index instead of being handled outside by way of bonus. They declined to make the computation themselves but on the basis of information made available to me it is reasonable to suppose that our cash subsidies on foodstuffs alone, represent what would otherwise be a rise of at least 1.5 or possibly 2 points in the official cost-of-living index.

What that means is this: If prices of these items were allowed to rise instead of being pegged and subsidized, the cost-of-living index would now be 1.5 to 2 points higher. This would mean an addition to housewives bills of $60 to $80 millions annually. It would mean payment of another $50 millions in cost-of-living bonus.

On the other hand Donald Gordon estimates that had not the price ceiling been in effect, living costs in Canada would have risen by at least 10%. He interpreted a 10% rise in the fuel, food and clothing bills of Canada's 2,500,000 families, as amounting to between $350 and $400 millions.

The worst and most flagrant disturber of the price ceiling peace is beef. Apart from its already violent price ceiling career, it is due to push the index still higher when the next monthly figure is compiled. The combined weight for the five types of beef included in the ceiling is 3.67%.

Testing the Figures

How valid is the cost-of-living index itself, after one year of price control and three years of wartime curtailment and restriction?

Actually a special test is under way this month to check the honesty and accuracy of "reported" prices, compared with those which consumers are charged from day to day. An earlier check, six months ago, revealed very little variation.

So far as the composition of the index is concerned, some changes in its components to reflect the fact that bananas and tires (for example) are no longer on sale, is shortly to be made. It is not expected that these changes will greatly affect the final result, since what will be attempted is to distribute expenditure on the "unavailable" items among other alternate forms of food, transportation, etc.

The whole question of the validity of the index in all its ramifications is a very live topic at Ottawa just now. That doesn't mean that price ceiling officials have lost faith in its validity—far from it. But they are far from complacent about it and doing a lot of probing to see (for example) if the index is as valid for high and low income groups as for the $1,400 "average" income group around which the index was computed; if their quotations are accurate; if their weightings are right, etc..

Higher Cost or Higher Standard

And before leaving this question of the validity of the index, there is one important point which should be made. It is this: Many price officials believe that most Canadians are actually enjoying a considerably higher standard of living in 1942 than in 1941 and that this is what they are confusing with an increase in prices.

Today's shopper probably puts an extra tin of this, or a better grade of that in her daily shopping basket

Two other questions affect the cost of living under the price ceiling. One of these is the quality of merchandise. The other (already touched on in part) is subsidies.

As to quality, there is no denying that the simplification and standardization of goods, which has been permitted and encouraged under the price ceiling has eliminated frills as well as many varieties of merchandise and services formerly offered to the public.

Lower Quality

But a distinction should be made between elimination of "frills" and changes in quality which impair the durability, serviceability or food value of an article. How far this actual deterioration in real quality has progressed under a year of price ceiling is very difficult to determine. In some lines it may be considerable. On the whole it has not appeared to anything like the extent of earlier predictions, perhaps because rising sales volume has eased the "pressure" on costs for many business firms.

The other day at Ottawa an irate merchant brought in two shirts both made by the same manufacturer and selling for the same price. One was a "ceiling" shirt. The other was "pre-ceiling." In appearance the ceiling shirt looked to be definitely an inferior product. It was poorer color, coarser weave, had a shorter "tail" and so forth. Yet tests at the National Research Council laboratories disclosed that the new shirt was actually a better-wearing product than its smarter looking "pre-ceiling" number.

But it cannot be denied that these "frills" were part of the value of the things we bought. Their elimination, even where they are clearly unessential, is certainly a loss to the consumer.

Subsidies

What about subsidies? To what extent have price ceiling subsidies invalidated the cost of living index?

The answer is not easily procured.

There are the obvious subsidies such as a five cent per pound bonus on butter; there are less obvious ones such as tax and duty adjustments and the indeterminate cost of "bulk" purchasing where goods are purchased by the Commodity Prices Stabilization Corporation and sold to the trade at whatever price is necessary to permit them to be distributed to consumers within the price ceiling. In tea, for example, the special war tax is now waived to assist in permitting retail sales within the price ceiling.

$100 Millions a Year

Although not more than $25 millions has been distributed by way of cash subsidy during the first year of the price ceiling, the annual rate of distribution now exceeds $100 millions annually. This may be divided approximately as follows:

	Million
Crude oil imports (transportation subsidy)	*$30
Butter (5 cents per lb. on creamery butter)	15
Flour and feed (for domestic use)	10
Milk (25 cents per 100 lb. to producers)	6
General items (about $500,000 a week)	30
Bulk purchasing (raisins, tea, coffee, vegetable oils, cocoa beans, bristles, prunes, wool, cotton, textile fabrics, etc.)	15
Wartime Food Corp. (cattle purchases, etc.)	2
	$108

*The "gross" subsidy on crude oil is said to be running at a rate of close to $100 millions a year alone. But a large part of this is expected to be recoverable from the Department of Munitions and Supply for war supplies, or recoverable when the oil or its product is sold for export.

As already indicated, only three or four of these subsidized items bulk large in the cost-of-living index. They are: butter, flour and milk. Crude oil and gasoline subsidies would be important were it not for the fact that rationing restrictions have so greatly curtailed their public consumption and use.

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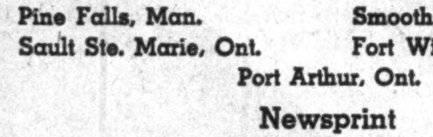

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TEN TIPS FOR TYPISTS
to make typewriters last longer

DO DAILY

1. Brush erasures and dirt on typebars towards front part of machine.
2. Clean type with cloth or brush *slightly* moistened with cleaning fluid.
3. Move carriage to extreme right, clean carriage rails. Reverse operation.
4. Brush dust from typebars.
5. Always cover machine when not in use.

DO REGULARLY

6. Prevent paper slipping by cleaning rubber rollers with cloth *slightly* moistened with cleaning fluid.
7. Remove roller and brush out particles of dirt.
8. Save roller by inserting 2 sheets at a time. Use backing sheet over and over to conserve paper.
9. Keep particles from falling into machine by moving carriage to extreme ends when erasing.
10. Change ribbons correctly. Jiggle or tap them lightly. Never force them on shaft.

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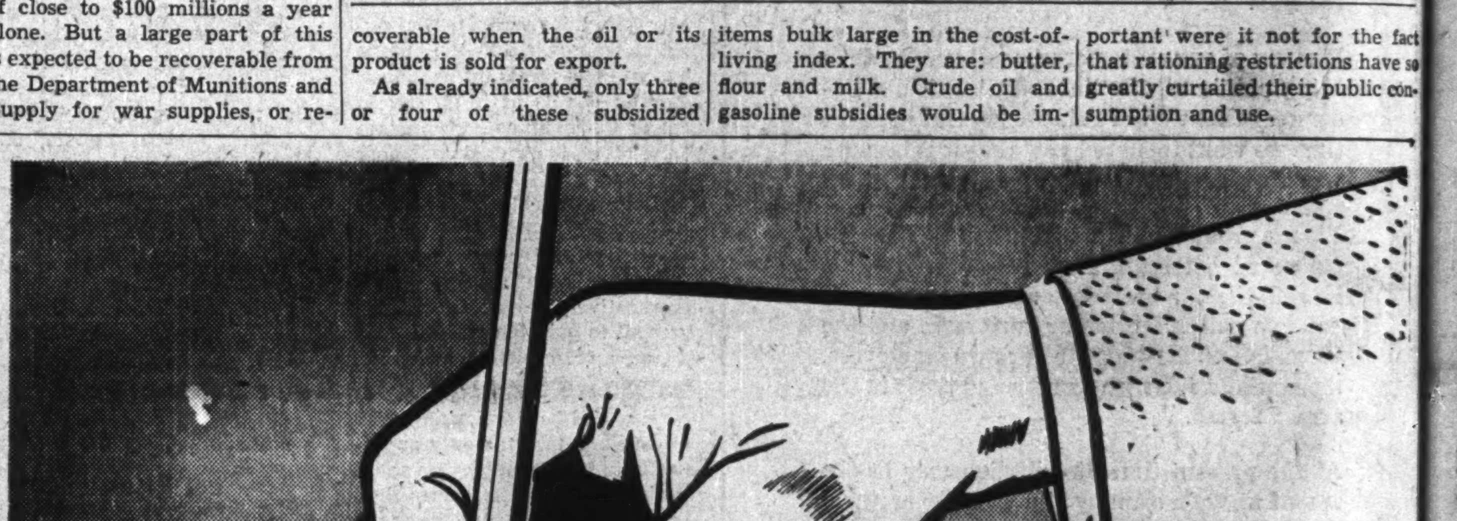

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DAILY PROVINCE REACHES *103,258 DAILY NET PAID

Since 1939 the Daily Province circulation within Vancouver City has risen 17,734 to a total of *69,387.

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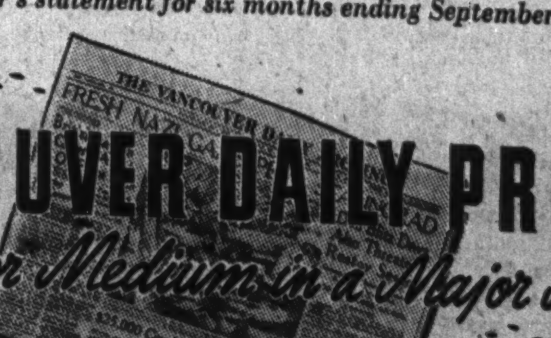
**Publisher's statement for six months ending September 30, 1942.*



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